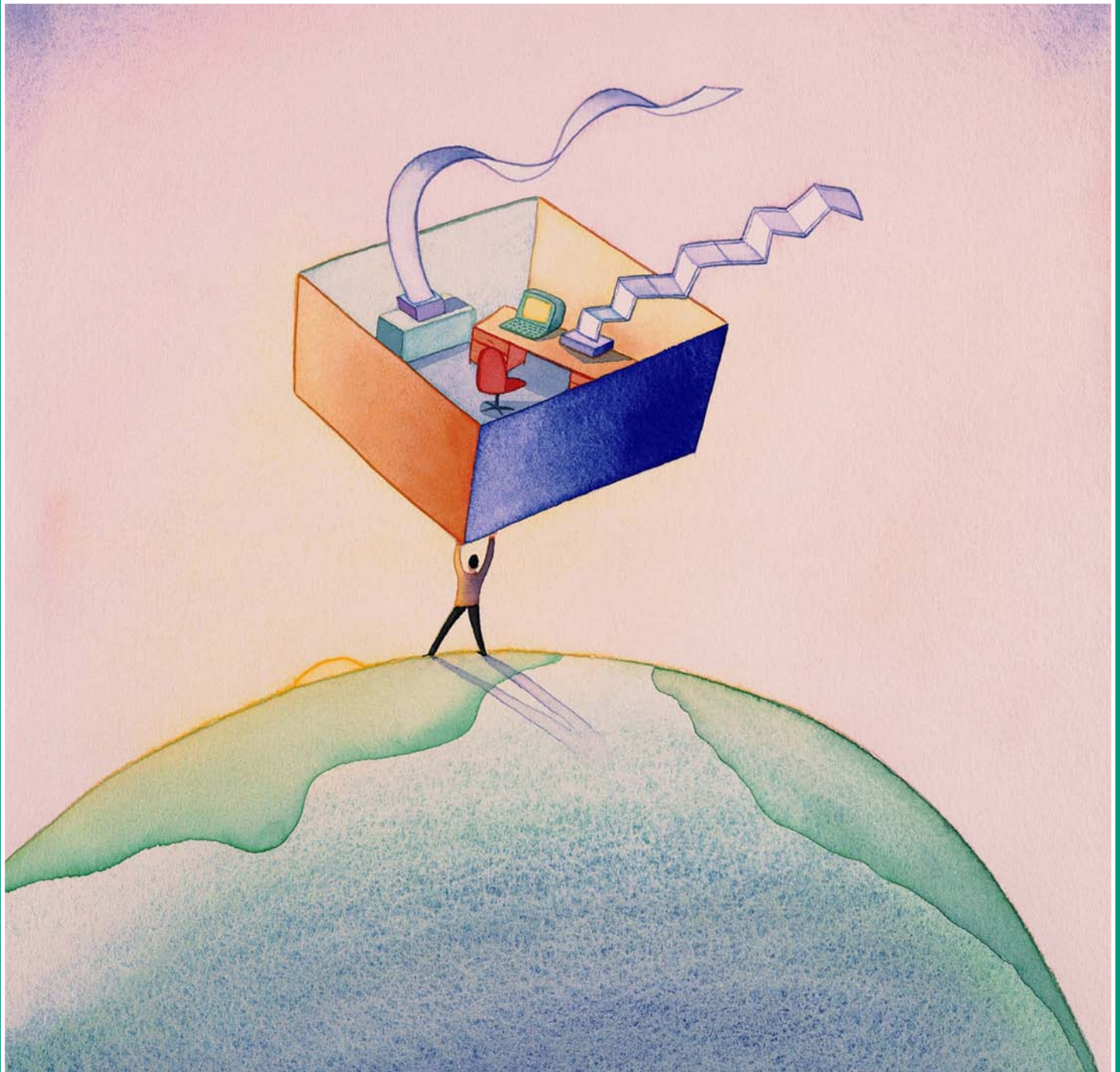


Glossary of Acronyms and Terms for Federal Civilian Relocation



Glossary of Acronyms and Terms for Federal Civilian Relocation

Spring 2010

Foreword

The General Services Administration, Office of Governmentwide Policy, is pleased to issue this glossary of relocation acronyms and terms. We have developed this glossary as a companion to the other two relocation guidance documents that we have developed:

- *“Relocation Policy Guide for Federal Civilian Agencies”*
- *“Handbook for Relocating Federal Employees”*

To enhance readability, we have chosen to provide very few cross-references between this glossary and the Federal Travel Regulation (FTR) (available online at <http://www.gsa.gov/ftr>). However, the FTR is written in a plain language, question-and-answer format that we hope makes it easy to find what you need.

Please note that this is not a regulatory document. Chapter 302—Relocation Allowances of the FTR (41 Code of Federal Regulations 302 or 41 CFR 302) contains the actual rules for relocation of Federal civilian transferees. The FTR and not this guide is the controlling source for rules governing Federal civilian relocations.

Glossary of Acronyms

Acronyms used throughout this Relocation Guide for Transferees are as follows:

BMA	Broker's Market Analysis
BVO	Buyer Value Option
CHAMP	Centralized Household Goods Traffic Management Program
CFR	Code of Federal Regulations
CONUS	Continental United States
DSSR	Department of State Standardized Regulations
ERSC	Executive Relocation Steering Committee
FTR	Federal Travel Regulation
GRAB	Governmentwide Relocation Advisory Board
GSA	General Services Administration
HHG	Household Goods
HHT	Househunting Trip
JFTR	Joint Federal Travel Regulations
JTR	Joint Travel Regulations
MEA	Miscellaneous Expenses Allowance
OCONUS	Outside the Continental United States
PBP&E	Professional Books, Papers and Equipment
PCS	Permanent Change of Station
POV	Privately Owned Vehicle
RIT	Relocation Income Tax
RITA	Relocation Income Tax Allowance
RSC	Relocation Services Company
SES	Senior Executive Service
TCS	Temporary Change of Station
TDY	Temporary Duty Travel
TQSE	Temporary Quarters Subsistence Expense
WTA	Withholding Tax Allowance

Glossary of Terms

***Acceptance Period:** A fixed period of time (typically 30 to 90 days) during which the offer to buy a transferee's primary residence is valid. Also referred to as the contract marketing period.

Accession: A personnel action that results in the addition of a transferee to the rolls (staff) of a Federal agency.

***Acquisition:** The passing of beneficial ownership of a home from a transferee to the purchaser (RSC).

Acquisition and Carrying Costs: Those fees and charges associated with establishing an appraised value, taking a home into inventory (except for formal closing costs in which title passes from the transferee to the purchaser (relocation services company or in-house relocation department)), and keeping a home in inventory until ultimate resale. Typical fees and costs often associated are ERC Summary Appraisal Reports; Broker's Market Analysis and Strategy Reports; inspections; certificates of occupancy; bank information; miscellaneous acquisition costs; insurance, utilities, and property taxes; maintenance fees; condo/association/homeowner/common area fees; mortgage interest; miscellaneous recurring carrying costs; home maintenance; repair fees; capital improvements; mortgage assumptions; assessments; rental management fees; miscellaneous non-recurring carrying costs; rental income credit; and interest on equity.

***Administrative Costs or Expenses:** Agency expenses to either operate an in-house homesale program or oversee the service performance of a third party supplier. In either case, this also includes all those employees involved in operating the agency's homesale process, such as explaining the homesale program, distributing forms and booklets, updates, appeals, and so forth. These expenses are not readily associated with

* Denotes definitions reprinted with permission of Worldwide ERC(r)/Transferee Relocation Council from the ERC Glossary; in some cases these have been modified slightly to fit the federal context, as in substituting "agency" for "company."

the handling of a specific property and include salaries and wages, rent depreciation, amortization of mortgages or loans, utilities, office supplies, telephone, postage, travel and living expenses, data processing, and transferee benefits. These expenses could include those costs for services provided by the agency outside of the homesale operating group itself, such as Legal, Tax, Financial, Auditing, Human Resources, Purchasing, and so forth that support the homesale operation. Also, the allocated cost (e.g., salary, overhead, benefits, etc.) of any executives that have overall responsibility for the homesale program, but are not a part of the operating group, may be included.

Agency: May refer to any of the following:

- (a) An executive agency as defined in Title 5 USC §105 (an executive department, an independent establishment, the Government Accountability Office, or a wholly owned Government corporation as defined in section 101 of the Government Corporation Control Act, as amended (31 USC § 9101), but excluding a Government controlled corporation;
- (b) A military department;
- (c) A court of the United States;
- (d) The Administrative Office of the United States Courts;
- (e) The Federal Judicial Center;
- (f) The Library of Congress;
- (g) The United States Botanic Garden; or
- (h) The Government Printing Office.

Allowance for Overseas Tour Renewal Travel: A reimbursement for roundtrip travel and transportation expenses between an overseas post of duty and the transferee's actual place of residence in the U.S.

Amend From Zero: A residential sale where a bona fide outside offer to buy a residence is received and accepted by a relocation services company prior to the completion of the appraisal process. A determination of price reasonableness is completed, generally with the use of one or more Broker's Market Analysis (BMA's). This type of transaction is then processed in the same manner as the Amended Value Sale. As with the Amended Value Sale, the employee does not sign, accept any funds or agree to the offer from the prospective buyer to be eligible for this program.

Amended Value Sale: A residential sale where a bona fide outside offer to buy a residence is accepted by a RSC. This offer can be equal to or higher than the guaranteed offer. If the contract is acceptable, the RSC will sign the contract and amend its guaranteed offer to reflect the new value based on the agreed upon sales price. The RSC will then disburse the transferee's equity (or remaining equity if a portion had been disbursed earlier) based upon this amended value, complete the acquisition of the property, and resell the home to the outside buyer. The employee does not sign, accept any funds or agree to the offer from the prospective buyer to be eligible for this program.

Amended Value Amount: When pursuant to a relocation policy, a transferee finds a potential buyer for his/her home, and the RSC determines that the offer is bona fide, the RSC will then amend its appraised value offer to the employee to reflect the value placed on the home. This new value, based upon a bona fide market offer, is the amended value amount.

***Ancillary Services:** Contracted services and fees, related to the relocation process, which are not a part of the homesale services. Examples would include services such as expense management, property management, direct billing of purchase closing costs, etc.

***Application Fee:** A fee charged by a lender for accepting a loan application and initiating the loan review process. It usually covers the nonrefundable charges (such as appraisals, credit reports, etc.) a lender incurs when deciding whether a loan can be granted.

***Appraised Value:** The anticipated sales price of real estate established by the relocation appraisal process.

Appraised Value Transaction: (Also known as Appraised Value Sale or regular transaction). A residential sale where two or more independent appraisers set the price for a guaranteed offer for the purchase of a residence. Under this option, once a transferee's home is placed in the homesale program, a relocation services company (RSC) makes a guaranteed offer for the transferee's home based on the fair market value established by independent appraisers. The offer is guaranteed by contract for a specified number of calendar days. If the transferee accepts the guaranteed offer within the time period, the RSC purchases the home, takes the home into its inventory, and disburses the transferee's equity (or remaining equity if a portion had been disbursed earlier) based upon the offer. It is then the RSC's responsibility to sell the home, and the agency pays the RSC a fee that covers the

closing costs, other expenses, and all risk associated with any losses that the RSC may have in reselling the home.

***Assignment:** The method or manner by which a right, obligation, or contract is transferred from one person to another.

***Attorney Fees:** In real estate transactions, attorney fees are typically for the review of the real estate contract, title, and representation at a real estate closing.

Best Practice: A method, approach or application that simplifies or otherwise redesigns a work process to reduce costs, improve effectiveness or efficiency, enhance customer satisfaction and/or promote maximum use of available resources or technology. Notably, best practices are not “one size fits all” and can vary significantly from one organization to the next, depending on goals, resources, culture, etc. Moreover, practices designated as “best” can change rapidly as external influences, such as changes in the economy or enhanced technology, impact organizational goals and resources.

***Broker:** An individual, licensed in a state, who acts as an agent for another in negotiating sales or purchases in return for a fee or commission.

***Broker's Commission:** Payment of money and/or other valuable consideration to a real estate broker for services rendered in performance of a contractual agreement.

Broker's Market Analysis (BMA)/Broker's Price Opinion (BPO): A written market analysis of recent comparable sales and listings with suggestions for marketing strategies.

***Buyer's Value Option (BVO):** A buyer's value option transaction is a variation of the amended value transaction in which no appraisals are obtained and usually no initial offer is made to the transferee. Although these transactions are sometimes referred to as “amend-from-zero” or “offers prior to appraisal,” there is no initial appraised value offer to “amend”, and should not be confused. Rather, the only unconditional offer is made at the “buyer's value,” that is, the fair market value as determined by an offer from a potential buyer. Without a guaranteed buyout offer built into this program from the relocation company, agencies should use caution using this type of program as there could be potential tax consequences for the employee.

***Cancellation Fee:** Typically, a charge to the agency to cover the third party or in-house program administrative costs of deleting files and database information; sending disclaimers

and cancellation notices to transferees; and placing stop orders on relocation appraisals, inspections, and similar services which are in process.

Carrying Costs: Recurring costs and extraordinary charges of holding a property in inventory. This could include insurance, utilities, mortgage interest, condominium dues, taxes, homeowner association dues, maintenance expenses, assessments, and repairs. All costs of holding and operating a property during the inventory or marketing period should be charged to this category.

Centralized Household Goods Traffic Management Program (CHAMP): GSA's governmentwide program that gives Federal agencies access to HHG tenders for the movement of non military civilian personnel.

Chief Human Capital Officer (CHCO): The CHCO serves as his/her agency's chief policy advisor on all human resources management issues and is charged with selecting, developing, training, and managing a high-quality workforce.

***Closing:** Usually a meeting between or among the parties to the contract of sale, their attorneys, and others who have an interest in the sale, such as a representative of the company issuing title insurance, if applicable. When all the details have been settled and terms of the contract complied with, the seller signs and delivers the deed to the buyer; the buyer in turn authorizes payment of the proceeds of the sale to the seller. In relocation, all or parts of a closing may be handled by mail, email or a combination of both, between the purchaser (RSC) and the transferee.

***Closing Agent:** A firm retained for purposes of processing the closing of the sale of the home.

***Closing Assistance Option:** Typically a relocation policy which applies in the situation in which a transferee obtains a potential buyer for his/her home before being initiated into a corporation's relocation program and before an appraised value has been determined for his or her house. Here, the transferee usually has already signed an agreement to sell the home to a potential buyer, and under the terms of the closing assistance policy, the only assistance already offered by the purchaser (RSC) is to pay the transferee his/her equity in the home and to close the sale to the potential buyer. If for some reason the closing does not occur, the home is returned to the transferee for subsequent disposition by the transferee.

***Closing Costs:** Fees and charges associated with the closing, typically include broker's commission, transfer taxes,

legal and title expenses, revenue stamps, recording fees, and any other costs required by the mortgage lender. Usually considered direct costs. Also referred to as Settlement Costs.

Closing Fees: Fees charged by an attorney, title company, lender, escrow agent, or trust company to prepare the necessary documents for closing a sale. These fees are separate and distinct from attorney fees, title costs, and lender fees defined elsewhere.

Closing (Settlement) Statement: The statement of financial adjustments between the buyer and seller as of the day of closing to determine the amount of money the buyer must pay to the seller to complete the purchase of the real estate and seller's new proceeds. Most commonly reflected on a HUD-1 or similar statement.

Continental United States (CONUS): All areas in the 48 contiguous states and the District of Columbia.

Days in Inventory: The time period that begins on the date on which the offer to purchase the home from the transferee is executed and ends on the resale closing date.

***Deductible Expenses:** Deductible expenses are those that are included in the transferee's taxable income for which he/she is entitled to claim a Federal or state tax deduction.

***Destination Services:** A wide array of services to agencies and their transferees and families at the destination location. Destination services may include the following: home-finding assistance, area counseling, mortgage financial counseling, rental assistance, temporary housing assistance, spouse-employment assistance, home inspection, etc. Some services may have fees associated with their provisions.

***Direct Costs or Direct Expenses:** Typically, those costs charged directly against a specific property, which are then billed back to an agency by the third party company. Usually, acquisition and carrying costs as well as disposition and selling costs are included. (Not applicable under fixed fee contracts)

***Direct Reimbursement Program:** Typically, a type of homesale program in which the agency does not guarantee an appraised value nor does it purchase the property from the transferee but does reimburse some or all direct selling costs.

e-Travel: Name given to the Federal Government's end-to-end electronic environment encompassing travel authorization, travel arrangements and procurement, travel expense auditing, and reimbursement. E-travel also includes the E-Gov Travel Service (ETS).

Effective Date: The date on the Notification of Personnel Action when the transferee is scheduled to report for work at the new official station. See also Report Date.

Executive Relocation Steering Committee (ERSC): An interagency group of relocation experts that works with GSA to develop relocation policy; GSA's name for the "formal consultative mechanism" recommended by the GRAB.

Extended Storage: Storage of household goods while a transferee is assigned to a post of duty to which he/she was not authorized to ship HHG. Also referred to as nontemporary storage.

***Fair (Current) Market Value:** The most probable price that a willing and well-informed buyer would be justified in paying and an equally informed seller would accept for a home placed in a competitive and open market for a reasonable period of time.

Federal Travel Regulation (FTR): The FTR comprises Title 41 Code of Federal Regulations, Chapters 300-304. Chapter 302 governs relocation travel and transportation allowances and other relocation-related policies for Federal civilian transferees. Visit www.gsa.gov/ftr for more information.

***Fixed Buy-Out Fee:** Typically, a charge to an agency by a relocation services company to purchase a transferee's home. Usually expressed as a percentage of appraised value and generally includes expenses for direct costs, resale loss, overhead, and profit opportunity. Adjustments to the fee are often not made on a home-by-home basis but may be made on a periodic basis-annual, for example-and the adjustments may be calculated based on a variety of factors, including actual cost experience, economic index rates, etc. (This would be spelled out in the contract.)

Formal Consultation Mechanism: As set forth in recommendations by the Governmentwide Relocation Advisory Board (GRAB), a collaborative group coordinated by GSA consisting of Federal agency relocation professionals and appropriate non-Federal relocation industry professionals that meet regularly for purposes of sharing information, benchmarks, and best practices, discussing relocation issues, and providing views (making recommendations) to GSA relative to relocation policies and administration. GSA has chosen to rename this group the Executive Relocation Steering Committee.

Gross-up: The extra personal income tax withholding provided by an agency to offset any additional personal income

tax liability due to the fact the agency added taxable wages to the transferee's W-2.

Guaranteed Buy-out (GBO): A guaranteed offer to purchase the home by a RSC under an Appraised Value Transaction.

Guaranteed Offer: The offer by the RSC to purchase a transferee's principal residence typically based on the average of two or more appraisals with a fixed acceptance period.

Home: The transferee's primary residence that is being sold in either a homesale program or that which he/she will be selling themselves. Typically, it is defined as real property containing an amount of land customary for the area. It is neither investment property nor a second home.

Home Marketing Assistance: Proactive marketing assistance designed to help the transferee market the primary residence by designing a customized marketing strategy and assist with offer negotiations. This assistance may be provided independently or in conjunction with the homesale program.

Home Marketing Incentive Payment: (HMIP) An amount of money granted to a transferee for aggressively market their home while in a managed homesale program, that ultimately ends in an amended sale.

***Home Marketing Period:** Time during which the transferee may try to sell the home in the original location. This period may run throughout the appraisal process and/or guaranteed offer's acceptance period. Some employers require a mandatory marketing period before the transferee is eligible to accept the guaranteed offer.

***Homesale Assistance:** Reimbursement for expenses incurred in selling and/or purchasing a residence.

***Home Selling Expenses:** Expenses arising out of the sale of real estate such as brokers commission, transfer taxes, attorney and inspection fees, deed and recording fees, escrow or abstract fees, mortgage prepayment penalties, and incentives paid by the seller.

Homesale Program: That part of an agency's relocation policy designed to facilitate a relatively fast, convenient means by which a transferee may sell his/her home with a minimum of time and effort. Usually accomplished through a RSC, by appraised value, amended value, or buyer value option sale.

Household Goods (HHG): Property, unless specifically excluded, associated with the home and all personal effects belonging to a transferee and immediate family members on

the date he/she received notice of transfer that legally may be accepted and transported by a commercial HHG carrier. HHG also includes:

- (a) Professional Books, papers and equipment (PBP&E);
- (b) Spare parts of a personally owned vehicle POV (see definition of POV) and a pickup truck tailgate when removed;
- (c) Integral or attached vehicle parts that must be removed due to high vulnerability to pilferage or damage, (e.g., seats, tops, wench, spare tire, portable auxiliary gasoline can(s) and miscellaneous associated hardware);
- (d) Consumable goods for transferees assigned to locations where the Department of State has determined that such goods are necessary;
- (e) Vehicles other than POVs (such as motorcycles, mopeds, jet skies, snowmobiles, golf carts, boats that can be transported in the moving van (e.g., canoe, kayak, rowboat, I/O motorboat (14 ft or less)).
- (f) Ultralight Vehicles (defined in 14 CFR part 103 as being single occupant, for recreation or sport purposes, weighing less than 155 pounds if unpowered or less than 254 pounds if powered, having a fuel capacity not to exceed 5 gallons, air-speed not to exceed 55 knots, and power-off stall speed not to exceed 24 knots.

Househunting Trip (HHT)/Homefinding Trip: A trip made by the transferee and/or spouse to the new official work site locality to find permanent living quarters to rent or purchase. The term “living quarters” includes apartments, condominiums, and cooperatives in addition to townhouses and single family homes.

Human Capital: The stock of knowledge and skill embodied in an individual as a result of education, training, and experience, which makes him/her more productive, as well as the stock of knowledge and skill embodied in the population of an economy, an industry, or selected employer. Within the Federal Government, this refers to the education, knowledge, skills, and competencies of the personnel of an agency.

Immediate Family: Any of the following named family members who are residing in the transferee’s permanent quarters prior to the notice of relocation and who are relocating with the family unit to the new official station: spouse; children (including stepchildren and adopted children) who are unmarried and under 21 years of age (or under 24 years

of age if attending an institution of higher learning), or who are physically or mentally incapable of supporting themselves regardless of age; or parents of the transferee or the transferee's spouse, who are claimed as dependents on the transferee's tax return in accordance with IRS regulations.

Incidental Expenses: Fees and tips paid to porters, baggage carriers, bellhops, hotel maids, and for transportation between places of lodging/business, where meals are taken, and postage to mail in travel vouchers.

****Indirect Expenses or Costs:*** A RSC's expenses related to the operation of a homesale program which are not readily associated with the handling of a specific property. Examples include salaries and wages, rent, depreciation, amortization of mortgages or loans, utilities, office supplies, telephone, postage, public relations, marketing, travel and living expense, data processing, and transferee benefits. However, in some cases, certain specific charges may be billed to individual properties as incurred. Examples could be prorated shares of costs of trips to examine inventory properties, express mail expenses, and the cost of wire transfer of funds. Also known as Overhead Expenses. See also Administrative Costs or Expenses.

****In-house Program:*** A relocation service provider or group created within an agency to provide homesale services to transferees being relocated. In some instances, the in-house program staff may administer the agency's relocation policy as well as the homesale program.

****Initiation:*** That part of the homesale program in which the steps necessary to authorize relocation services are implemented, including creating files and the record-keeping devices necessary for reporting and tracking.

Inventory: Any property that has been acquired by the purchaser (RSC) whether an appraised value, amended value, buyer value option, or special transaction.

Loss on Sale: Actual dollar difference between the appraised value of a property and the lower ultimate sales price after the purchaser (relocation services company) has acquired the property.

****Management Fee:*** An amount charged to the agency by a RSC to manage the sale of a transferee's home. Examples range from simple flat per-case fees and fees calculated as a percentage of the appraised value (or sales price) to more elaborate fees based on a RSC's total cost performance and/or transferee service satisfaction.

Mandatory Marketing Period: The period of time when participants in the third-party homesale program are required to make a good faith effort to market their home. Typically, in order to participate in the homesale program, the transferee must market the home at a price not to exceed a specified percentage of the average of two broker's market analyses (BMAs). See Broker's Market Analysis/Broker's Price Opinion.

***Market Analysis:** Methodology used by a broker in comparing a house to comparable homes and competitive listings on the market in order to determine a recommended listing price and probable sales price.

Mileage Allowance: A rate per mile established by the Internal Revenue Service in lieu of actual expenses of operating a POV or in connection with towing a mobile home.

Miscellaneous Expenses: Costs associated with discontinuing the transferee's residence at the old official station, and/or establishing a residence at the new official station.

Mobility Agreement: Agreement requiring employee relocation to enhance career, development, and progression and/or to achieve mission effectiveness.

Mobile Home: Any type of house trailer or mobile dwelling constructed for use as a residence and designed to be moved overland, either by self-propulsion or towing. Also, a boat (houseboat, yacht, sailboat, etc.) when used as the transferee's primary residence.

MOBIS: Management, Organizational, and Business Improvement Services: A multiple award schedule offered by GSA's Federal Acquisition Service that lists many contractors that have been awarded contracts by GSA; these contracts may be used by all Federal agencies to acquire services and/or products to help improve their management and organizational effectiveness through the use of specialized consulting, facilitation, survey, and training services.

New Appointee: May include the following:

- An individual who is employed with the Federal Government for the very first time (including an individual who has performed transition activities under section 3 of the Presidential Transition Act of 1963 (3 USC § 102 note), and is appointed in the same fiscal year as the Presidential inauguration);
- A transferee who is returning to the Government after a break in service (except a transferee separated as a result of reduction in force or transfer of functions and

is re-employed within one year after such action); or

- A student trainee assigned to the Government upon completion of his/her college work.

Non-Foreign OCONUS Areas: The States of Alaska and Hawaii, the Commonwealths of Puerto Rico and the Northern Mariana Islands, Guam, and U.S. Territories and possessions.

OCONUS: Outside the continental United States.

***Offer Period:** The period of time from the issuance of an offer to purchase by the purchaser (RSC) until expiration of the offer. The length of the offer period varies widely.

Offer to Purchase: A contract of sale extended to a transferee by the purchaser (RSC) to buy the transferee's property. The amount is computed according to the agency's relocation policies or program relying upon the use of the relocation appraisal process.

Official Station: An official station is defined in Part 300-3 of CFR title 41, and may be either a CONUS or OCONUS location.

Overseas Tour Renewal Travel: Transferee and immediate family travel returning to a home in CONUS, Alaska, or Hawaii between overseas tours of duty. See FTR §302-3.222 for travel to an actual place of residence outside the United States.

Overseas Tour of Duty: An assignment to a post of duty outside the United States or its territories, commonwealths, and possessions.

Per Diem: A rate established by the GSA for reimbursement of lodging, meals, and incidental expenses for Federal civilian transferees while traveling overnight on official business within CONUS. Similar rates for non-foreign overseas locations (e.g., Hawaii, Puerto Rico, Guam, Commonwealth of the Northern Mariana Islands) are set by the DoD Per Diem, Travel and Transportation Allowance Committee. The Department of State sets similar rates for foreign countries.

Permanent Change of Station (PCS): An assignment of a new appointee to an official station or the transfer of a transferee from one official station to another on a permanent basis.

Personal Property: Any property belonging to the homeowner contained in the dwelling that is not considered part of real estate.

Post of Duty: An official station located OCONUS.

Pre-Transfer Counseling: A service to provide counseling to employees prior to receiving an official job transfer or reassignment.

***Primary Residence:** A residence which the transferee occupies as his/her principal residence.

Privately Owned Vehicle (POV): A motor vehicle not owned by the Government and used by the transferee or his/her immediate family for the primary purpose of providing personal transportation; an operable wheeled motor vehicle, intended for road use, legally licensed in the transferee's name or in the name of a member of the transferee's immediate family, which is regularly used by the family for personal transportation on a daily basis. Automobiles, station wagons, four-wheel drive vehicles, motorcycles and all similar vehicles are included. An antique car or a POV that is not regularly used to commute to and from work on a daily basis would not fit this definition for relocation purposes.

Professional Books, Papers and Equipment (PBP&E): When authorized, includes, but is not limited to, the following items in the transferee's possession when needed by the transferee in the performance of his/her official duties at the new location and not readily available for use:

- (a) Reference materials;
- (b) Instruments, tools, and equipment peculiar to technicians, mechanics, and members of professions;
- (c) Specialized clothing (e.g., diving suits, flying suits, helmets, band uniforms, religious vestments and other special apparel); and
- (d) Communications equipment used by the transferee in association with the MARS (see DoD Directive 4650.2, Military Affiliate Radio System (MARS) which is available electronically from the World Wide Web at <http://dtic.mil/web7.whs/directives.osd.mil>).

***Referral Fees:** A fee that is a portion of the broker's commission that is paid to another broker, pursuant to an agreement, which provided either a listing prospect or selling prospect. Also, any other fee or rebate paid to the purchaser (RSC) for services rendered to the transferee or property, including payments from movers, title companies, carpet and paint suppliers, lenders, inspectors, appraisal firms, etc.

Regular Transaction: See Appraised Value Transaction.

***Relocation Appraisal:** The process by which the anticipated sales price of a residential housing unit, using the market data approach to value, is established. Also, the form

by which the anticipated sales price is reported. The purpose of this appraisal is to establish the anticipated sales price for a relocated transferee's residence and assumes an arm's length transaction. Most often done according to the procedures in the ERC Summary Appraisal Report.

Relocation Incentive Bonus: A payment made to relocating transferees, in accordance with Office of Personnel Management rules, as an inducement for accepting an assignment that requires a transfer.

***Rental Management Fee:** A fee paid to an independent firm to oversee rental or leasing of a property. Technically, it could be a fee to manage any aspect of a rental property.

***Renters:** Either transferees who rent their primary residence, or tenants who are leasing the transferee's residence.

Report Date: The date on the Notification of Personnel Action (SF-50) when the transferee is scheduled to report for work at the new official station. This date is normally the same as the "effective date" on the SF-50 unless the report date is delayed because the transferee is required to undertake a temporary duty assignment. In the event of a delayed report date, the allowed one year period for completing the relocation cannot exceed one year from the effective date on the SF-50 approving the relocation.

Request for Information (RFI): Before it purchases a product or service, the agency may issue a request for information seeking to gauge a market's ability to meet the agency's needs, identify potential suppliers, identify technical issues, identify potential risks, and seek guidance from the market place on how best to fulfill the agency's needs.

Request for Proposal (RFP): Solicitation means any request to interested parties to submit offers or quotations to provide services or products to the Government. Solicitations under negotiated procedures are called "Requests for Proposals."

Relocation Income Tax Allowance (RITA): The payment to the employee to cover the difference between the WTA and the actual tax liability incurred by the employee as a result of their taxable relocation benefits; RITA is paid whenever the actual tax liability exceeds the WTA.

Relocation Services Company (RSC): A service company supplier retained by an agency to provide homesale services to its relocating transferees. In some instances, the third party company may administer a corporation's home sale

program and policies. Often synonymous with purchaser, third party company, and home-purchase company.

Service Agreement: A written agreement between a Federal transferee and his/her agency, signed by the transferee and an agency representative, stating that he/she will remain in the service of the Government for a period of time as specified in FTR §302-2.13, after the transferee is relocated.

Special Transaction: That aspect of the homesale program which, because of unusual selling situations such as value over a specified amount, excess acreage, or other conditions not usually found on similar properties, require extra efforts on the part of the purchaser (RSC) to sell the property. Typically, any home designated as special has a separate fee charged against it.

Special Transaction Fee: Fees billed by a home purchase company for handling a property designated as a Special Transaction.

***Storage:** Placement of HHG in either short- or long-term storage facilities. May be provided in conjunction with the transportation of HHG.

Tax Assistance: A payment by an agency to a transferee in recognition of the fact that many of the payments associated with relocation are considered income to the transferee and thus are taxable. This payment, which is also taxable, may pay for all or part of the additional taxes incurred. See also Relocation Income Tax Allowance and Withholding Tax Allowance.

Temporary Change of Station (TCS): The relocation to a new official work site for a temporary period while performing a long-term assignment, and subsequent return to the previous official work site upon completion of that assignment.

Temporary Quarters: Lodging obtained from a private or commercial source for the purpose of temporary occupancy.

Temporary Quarters Subsistence Expenses (TQSE): Subsistence expenses incurred by a transferee and/or his/her immediate family while occupying temporary quarters. TQSE does not include local transportation expenses incurred during occupancy of temporary quarters (see FTR §302-6.18 for details).

Temporary Storage: Storage of HHG for a limited period of time at origin, destination or en route in connection with transportation to, from, or between official station or post of duty or authorized alternate points. Also referred to as storage in transit (SIT).

Glossary of Acronyms and Terms

Third Party Company: See Relocation Services Company.

***Transferee Incentives:** See Home Marketing Incentive Payment.

Transportation: The means of moving people or things (particularly HHG) from one place to another.

United States (U.S.): The 48 contiguous States, the District of Columbia, the States of Alaska and Hawaii, the Commonwealths of Puerto Rico, Guam and the Northern Mariana Islands.

Vacate Date: The date on which the employee moves out of the property.

Withholding Tax Allowance: The amount paid to the IRS by the agency as withholding of taxes for any taxable relocation allowance, reimbursement, or direct payment to vendor.

Glossary of Acronyms and Terms