

088 775

Tracy

10,707

GAO

United States General Accounting Office  
Washington, DC 20548

Office of  
General Counsel

In Reply  
Refer to: B-103315

Do not make available to public reading room

JUN 29 1979

Lawrence J. Dupre  
Deputy Assistant Secretary  
for Operations  
Department of State  
Washington, D.C. 20520

AGC 000322

Dear Mr. Dupre:

Subject: ~~Prohibition~~ Propriety of the  
Use of travel agents  
Your letter of January 5, 1979

You request our opinion as to whether use of a commercial travel agency by the Embassy at Lima, Peru, and other overseas posts, would be permissible. You enclosed a telegram from the Lima Mission stating that one local firm has submitted an informal proposal to establish a travel agency in the Embassy. The telegram provides only a one paragraph summary of the plan.

The request for our approval of the proposal is premised on the General Accounting Office Report, "A Look at the Prohibition on the Use of Commercial Travel Agents," LCD-78-219, August 8, 1978 (GAO Report). Although the GAO Report is inconclusive as to whether or not the prohibition should be lifted, it states that, "we would . . . not object to lifting the prohibition (on an individual agency basis) to the extent that such action is shown to be more efficient and less costly."

You contend that the use of commercial travel agents would result in better quality service, a reduction of two staff personnel and an estimated savings of \$5,000. You believe that although Braniff Airlines does provide basic travel services for the Lima Embassy, "it seems that the use of a commercial agent would be more efficient and less costly."

Your submission does not include a specific proposal, with detailed data to support the claim that the use of a commercial agent would be more efficient and less costly than the present use of airline services. It is an informal proposal concerning only the Lima Mission which is speculative as to the value to be garnered from the use of travel agents. It is based on estimates which are not substantiated by any actual study of the cost of using travel agents. No information is provided to support an exception



505848  
Letter

B-103315

for other overseas posts. In these circumstances and on the present record, we are unable to make the requested determination as to whether the prohibition should be removed for the Lima Mission and other overseas posts.

However, upon receipt of a detailed report showing efficiency of operation and monetary savings at the Lima Mission, consideration will be given to a change in the present regulation.

Sincerely yours,

L. Mitchell Dick

L. Mitchell Dick  
Assistant General Counsel