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Transp
Mr. Shipman

GAO

United States General Accounting Office
Washington, DC 20548

Office of
General Counsel

In Reply
Refer to: B-196268

April 10, 1980

Robert E. Cavanaugh
Chief, Branch of Finance
Office of the Secretary
Department of the Interior

Dear Mr. Cavanaugh:

Subject: Your letter of September 14, 1979

You ask that we review the file on the ~~loss of a book~~ of ten Government Transportation Requests (GTRs) issued to Michael W. Gaupin, a former employee of the Office of the Secretary, Department of Interior and furnish a determination of liability. You request specifically our advice on whether payments made to carriers for services furnished under the lost GTRs were proper and if the payments were not proper whether the certifying officer may be relieved of liability.

The file shows that a book of ten GTRs, serial numbers D-0,562,841 through D-0,562,850 was issued to Mr. Gaupin late in 1975 or early 1976. On September 2, 1976, after return from two weeks of official travel, and while clearing out his desk preparatory to transfer from the Office of the Secretary to the National Park Service Mr. Gaupin discovered that the book of ten GTRs was missing. On that same day Mr. Gaupin reported the loss by telephone and followed with a written report to the Federal Protective Officer on duty. Mr. Gaupin stated that he had not used any of the GTRs in the missing book.

Interior received invoices for payment on eight of the ten missing GTRs. The block on the GTRs entitled "FISCAL DATA (Appropriation, authorization, etc.)" was either blank or filled in by Interior after receipt for billing by the carriers. Interior then requested legal advice of the General Services Administration (GSA) regarding liability for charges on GTRs D-0,562,845; 846, 848 and 850.

GSA advised Interior that the General Accounting Office (GAO) had the authority to approve a determination by the agency to relieve the custodian and to determine liability



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of Interior, and advised that a report on the missing GTR book should be forwarded to GAO. There is nothing in the record and our Office was informally advised by Interior that there is nothing in the file at Interior to show any agency determination to relieve the custodian. In addition the file shows that because of the decision to forward the file to GSA for a legal determination a full investigation was not held.

GSA further advised that decisions by the Comptroller General had repeatedly held that a carrier, which, in good faith and without negligence, has furnished transportation on request or by other contractual arrangements, is entitled to payment, although the transportation was unauthorized, and that the underlying pecuniary liability for the unauthorized use will be the responsibility of Interior if the forgery is untraceable, the custodians are free of liability, and the carrier has exercised the acceptable degree of procedural safeguard. Based on this information payments were made on the GTRs as they were received by the certifying officer in the Office of the Secretary.

In 25 Comp. Dec. 811 (1919), it was held that "The agents of transportation companies cannot be acquainted with the officers and employees of the Government, and a request if in proper form and apparently good upon its face, without erasure or alteration, may be honored accordingly, thus involving the Government in the payment for the services indicated thereon." And this Office long has held that where a carrier, in good faith and without negligence, has furnished transportation under a Government bill of lading, transportation request, or other contractual arrangement, it is entitled to payment for the services rendered, notwithstanding the fact that the transportation was not authorized, and irrespective of whether collection can be made from the individual benefitting from the services. 4 Comp. Gen. 630 (1925); 14 Comp. Gen. 631 (1935); 21 Comp. Gen. 559 (1941); 25 Comp. Gen. 360 (1945); B-190576, February 10, 1978; Cf. 48 Comp. Gen. 773, 774 (1969).

The Federal Property Management Regulations (FPMR) governing the validation and honoring of GTRs provides in section 101-41.208-1 that:

"GTR's shall be completely filled out and properly signed by the issuing officer so as to be valid for presentation to obtain transportation services and/or accommodations. Carrier agents shall not honor GTR's which are

incomplete or unsigned or which show erasures or alterations not validated by the initials of the issuing officer. Carriers shall require the person presenting a valid GTR to establish his identity as the traveler or party authorized to receive the ticket, exchange order, refund slip, or other transportation document. In the absence of satisfactory identification, the GTR shall not be honored."

In accordance with the regulation for honoring GTRs the reverse side of the GTR only states--"Carriers shall not honor requests showing erasures or alterations not validated by initials of the issuing officer."

The "FISCAL DATA" block contains such reference matter as may be necessary for the fiscal accounting of the respective Government agencies. This information may be unknown to the traveler, the type of information varies with each agency and is meaningless to the carriers. Therefore, the absence of fiscal data from the GTR would not be such an omission as would put the carrier on notice of any irregularity. Thus the GTRs were in proper form and valid on their face, without erasure or alteration and there is nothing in the record from which to infer negligence or bad faith on the part of the carriers.

The carriers were therefore entitled to payment for the services rendered even though the GTRs were fraudulently issued. Since the carriers are entitled to be paid, the certifying officer properly certified the vouchers for payment and is not responsible or answerable for the payments although made for unauthorized services.

You were also advised by GSA that GAO is authorized by 31 U.S.C. 82a-1, to relieve the custodian, Mr. Gaupin, made responsible by regulation, section 101-41.207-4 of FPMR, for the GTRs' safekeeping, of such liability after consideration of the pertinent findings and if in concurrence with the determinations and recommendations of the head of the department. The record shows, however, that because of the decision to refer the question of liability to GSA a complete investigation was not held and no determination or

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recommendation was made. Therefore, no opinion will be expressed on the liability of the custodian of the GTRs on the basis of the present record.

Sincerely yours,

Harry R. Van Cleave

For Milton J. Socolar
General Counsel