



United States  
General Accounting Office  
Washington, D.C. 20548

Office of the General Counsel

B-259718

August 25, 1995

Mr. James L. Rock  
Certifying Officer, FMC-LV  
United States Environmental Protection Agency  
P.O. Box 98515  
Las Vegas, NV 89193-2423

Dear Mr. Rock:

This responds to your request regarding the propriety of paying for annual airport parking permits. The Center purchases the permits which provide access to general parking at McCarran Airport with no specified spaces. The permits are prepaid, are used only by staff on travel status, and result in a cost savings to the government. You are concerned that a prepaid agreement to provide parking on an annual basis to be used as needed might be characterized as a lease of parking space, and therefore should be obtained through the General Services Administration (GSA).

The purchase of airport parking services is not specifically provided for by statute. The standard for measuring the propriety of a particular expenditure not specified in a statute is the "necessary expense" test. Under this test, an expenditure is permissible if it is reasonably necessary in carrying out an authorized function or will contribute materially to the effective accomplishment of that function and if it is not otherwise prohibited by law. 72 Comp. Gen. 73 (1992). The question is whether the expenditure falls within the agency's legitimate range of discretion or whether its relationship to an authorized purpose or function is so attenuated as to take it beyond that range. B-223608, Dec. 19, 1988. Applying this test in light of the agency's justification in this case, payment for parking permits to be used by employees who require parking at the airport while on official travel strikes us as a legitimate exercise of the agency's discretion.

The fact that the permits are renewed on an annual basis does not require that the purchase be characterized as a lease. As the certifying officer properly recognizes, unless an agency has specific statutory authority, leases must generally be obtained through GSA. See Federal Property Management Regulation § 101-18.101. As it is commonly used, however, the term lease refers to the exclusive right to use a

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particular piece of property that is owned by another. In contrast, the parking permits here do not give a Center employee the right to use a particular parking space. Indeed, if the parking lot is full, the employee does not have the right to demand any space at all. In these circumstances, we are unwilling to characterize the Center's parking permit as a lease.

Accordingly, we find that the parking permits are properly payable.

Sincerely yours,

Gary L. Kepplinger  
Associate General Counsel