

WASHINGTON

June 28, 1922.

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The Honorable

The Postmaster General.

Sir:

*sent June 19/22*

I have your letter of May 5, 1922, as follows:

"In view of the fact that under the proposed Act 'Making appropriations for the Post Office Department for the fiscal year ending June 30, 1923, and for other purposes' (HR-9859), the appropriations for Salaries and for Contingent and Miscellaneous Expenses of the 'Post Office Department, Washington, District of Columbia,' are made payable from the postal revenues instead of 'out of any money in the Treasury not otherwise appropriated,' as heretofore, your opinion is respectfully requested, for the information of the Post Office Department Administrative and Accounting Officers, relative to the following:

"1. All salary payments to employees of the 'Post Office Department, Washington, District of Columbia,' are now being paid from funds appropriated 'out of any money in the Treasury not otherwise appropriated,' and are made in accordance with Section 6 of the Act approved June 30, 1906, 34 Stat., 763 (Treasury Department Circular No. 35, Second Edition). Please advise whether payment of salaries to those employees out of postal revenues, as provided in the proposed Act above referred to, should be made in the same manner, or in accordance with the provisions set forth in said circular for making salary payments to the Postal Service (36 Stat., 1359).

"2. The form of pay-roll, now being used for making salary payments to the employees of the 'Post Office Department, Washington, District of Columbia,' is one approved by the Comptroller of the Treasury as provided for by Treasury Department Circular No. 77, dated May 1, 1917.

sample herewith. Paragraph 6 of said Circular 77, states that 'This circular does not apply to accounts relative to the Postal Revenues and Expenditures therefrom.' Will you please advise, therefore, whether or not the use of the pay-roll form submitted herewith, can be continued for use in making payments of salaries to employees of the 'Post Office Department, Washington, District of Columbia,' from the postal revenues as provided by the proposed Act above referred to?

"3. There is submitted herewith a sample of the voucher form (Exhibit A) now used for making purchases from Contingent and Miscellaneous appropriations for the 'Post Office Department, Washington, District of Columbia,' made 'out of any money in the Treasury not otherwise appropriated.' Please advise whether or not the use of that voucher form can be continued for making purchases for the 'Post Office Department, Washington, District of Columbia,' from postal revenues, as provided by the proposed Act above referred to, or should the voucher form now used for making purchases for the Postal Service out of postal revenues (Exhibit B) be used for that purpose.

"4. Accounts covering expenditures for Salaries and Contingent and Miscellaneous Expenses of the 'Post Office Department, Washington, District of Columbia,' made from appropriations 'out of any money in the Treasury not otherwise appropriated' are rendered in accordance with the Statutes and Treasury Regulations governing expenditures from those funds. Will you please advise whether expenditures made for those purposes out of postal revenues, as provided in the proposed Act above referred to, should continue to be rendered in the same manner or should they be submitted in accordance with the laws and regulations governing other accounts covering expenditures from postal revenues.

"5. The Disbursing Clerk of the Post Office Department now obtains official credit for funds for making payment of salaries and expenditures for the 'Post Office Department, Washington, District of Columbia,' from appropriations made 'out of any money in the Treasury not otherwise appropriated,' by the use of the enclosed requisition form (Exhibit C). Will you kindly advise whether accounts

covering appropriations for the 'Post Office Department, Washington, District of Columbia,' from the postal revenues, as provided in the proposed Act above referred to, can be set up in the Division of Bookkeeping and Warrants, Treasury Department, so as to enable the Disbursing Clerk, Post Office Department, to continue to obtain his official credit for necessary funds by use of the requisition form herewith enclosed? If not, kindly advise what procedure should in your opinion be followed in order for the Disbursing Clerk to obtain necessary funds for making said expenditures from postal revenues, as provided by the proposed Act above referred to.

"6. As supplies for the 'Post Office Department, Washington, District of Columbia,' will be paid for from postal revenues, under the provisions of the proposed Act above referred to, should the purchase of those supplies continue to be made under the General Supply Schedule of Contracts or should the Postal Service Schedule of Contracts be made to cover all supplies needed by the Post Office Department, so that they may be purchased under those contracts?

"7. When salaries of the employees of the Department proper at Washington are paid from funds appropriated out of postal revenues, as provided for in the proposed Act above referred to, should leave be granted to them upon the basis of the regulations governing leave for the Postal Service employees in the field, and should they be granted compensatory time for Sunday and holiday service as provided for the employees of the field service, or should they continue to be granted leave on the same basis that it is now granted to them, without compensatory time for Sunday and holiday service?

"8. Please also advise whether or not in your opinion the provision of law applying to employees of the Postal Service, whereby they cannot be dropped from the rolls until after one year's absence, when absent on account of illness, will apply to employees of the Department proper at Washington when their salaries are paid from funds appropriated out of the postal revenues, as provided for in the proposed Act above referred to."

The evident purpose of the provision in the appropria-

tion act to which you refer is to make expenses of the Post Office Department, as heretofore distinguished from expenses of the postal service, a charge against the postal revenue, in the same manner and to the same extent that expenses of the postal service are so charged. The new provision does not change the character of expenses of the Post Office Department in Washington as departmental expenses, nor does it merge the personnel of the Department into the postal service or make them postal service employees within the meaning of laws and regulations relating specifically to postal service employees.

The questions you submit are decided specifically, as follows:

1. Employees of the Post Office Department will continue to be departmental employees subject to general laws and regulations governing such employees and not to the special laws and regulations for the postal service. Salary payments to departmental employees will be governed by section 6 of the act of June 30, 1906, 34 Stat., 765, and not by section 4 of the act of March 4, 1911, 36 Stat., 1539, relating specially to employees in the postal service.

2. The payroll in question was prepared and approved with a view to payment from Treasury appropriations and not

from postal revenues. It should be adapted to the changed method of payment. You may submit for approval a redraft of the roll form with such changes as may be necessary in your judgment to adapt it to payments from postal revenues.

3. While the expenses of the Post Office Department will hereafter be payable from the postal revenues such expenses will continue to be departmental expenses subject to general laws and regulations governing the incurrence and payment of such expenses. Voucher forms should be changed only to the extent necessary to adapt them to payment from the postal revenue instead of from appropriations as heretofore. You may submit for approval a redraft of the voucher form modified as you may think appropriate to payment from the postal revenue.

4. This question is too broad and general in terms to admit of more than a broad and general answer. While these expenditures will hereafter be made from the postal revenue they will continue to be departmental expenses and as such will be subject to general laws and regulations governing such expenditures. They will appear, however, in accounts for the postal revenues and in matters of rendition and accounting procedure it may be that they must conform

to postal service conditions. The particulars of such modification of present procedure as may be necessary to adapt the rendition and settlement of these accounts to the new method of payment will be taken up as a matter of accounting and considered by this office in that connection.

5. I find no authority of law for setting up on the books of the Treasury the appropriation account which you suggest, or for drawing money from the Treasury on requisition for account of the postal revenues for any other purpose than to meet deficiencies in the postal revenues as provided by law. Existing laws and regulations provide for expenditure of the postal revenues directly from postal funds by the postal service through disbursements of postmasters authorized to disburse such funds, or from postal revenues in the Treasury upon certification by the General Accounting Office and warrant of the Postmaster General. Disbursements for expenses of the Post Office Department at Washington may hereafter be made either from postal funds transferred to the credit of an authorized disbursing officer of the Post Office Department in the manner provided by sections 4042, 4043, Revised Statutes, for transfer of funds to and between disbursing postmasters, or through certifica-

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tion and warrant drawn on such revenues in the Treasury as in the case of like payments of expenses of the postal service.

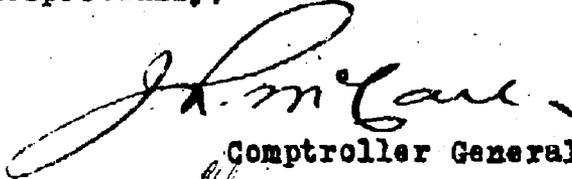
6. Section 4 of the act of June 17, 1910, 36 Stat., 531, provides for purchase through General Supply Committee schedules of supplies "for the executive department and other government establishments in Washington." Supplies for the Post Office Department in Washington will continue to be supplies for an executive department to be purchased through General Supply Committee schedules notwithstanding the payment therefor from postal revenues.

7. Payment of these employees from postal revenues will not make them employees of the postal service. They will continue to be departmental employees subject to the laws and regulations governing such employees, with compensation, allowances and benefits unchanged by the statutory provision for payment of their salaries and expenses from the postal revenues.

8. The provision in the act of July 28, 1916, 39 Stat., 413, that the Postmaster General shall not approve or continue any rule or regulation which terminates the employment of any employee by reason of absence on account of illness for a period of less than one year, which is understood to be

the law referred to in this connection, clearly relates to employees of the postal service. The inclusion of departmental employees in the postal service appropriation act for the fiscal year 1923 does not change their status to that of postal service employees, nor does it operate to extend to them this general provision of law made for employees of the postal service.

Respectfully,

  
Comptroller General.

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June 28, 1922.

Reviews Nos.  
2276, 2277,  
2283, 2284.



The Secretary of the Treasury applied June 23, 1922, and June 26, 1922, for review of the action of this office in disallowing by settlements Nos. T-91112 and T-91115, and Nos. T-91159 and T-91160, respectively, claims of the Treasurer of the United States for the following amounts paid in connection with the issue of new registered bonds to holders of registered bonds for which coupon bonds were exchanged by the Treasury upon forged endorsements, as follows:

- Review 2276, settlement T-91112; claim for amount paid by Federal Reserve Bank of New York for coupon bonds purchased for retirement to offset the over issue caused by issue of new registered bonds, \$12,953.59
- Review 2277, settlement T-91115; claim for amount of interest due on the above registered bonds at the time they were converted into coupon bonds, paid by the Treasurer, 796.87
- Review 2283, settlement T-91159; as in Review 2276, 14,096.12
- " 2284, " T-91160; " " " 2277, 1,561.25

The only evidence of the right of the owners of the registered bonds exchanged on forged indorsements to have new