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**DECISION**



**THE COMPTROLLER GENERAL  
OF THE UNITED STATES**  
WASHINGTON, D.C. 20548

**FILE:** B-166943

**DATE:** July 14, 1981

**MATTER OF:** Executive Exchange Program Participants  
Travel and Relocation Expenses

**DIGEST:** Federal Government employees assigned to the business sector under the Executive Exchange Program may be authorized relocation expenses or travel expenses not to exceed such relocation expense, whichever is determined more appropriate by the employing Federal agency. 54 Comp. Gen. 87 (1974), amplified.

The question in this case is whether an employing agency has the authority to grant--in lieu of moving expenses--per diem or reimbursement of commuting expenses, to an employee participating in the Executive Interchange Program, when payment of such expenses would be less than or equal to moving expenses. In accordance with the discussion below, we would not object to such payments.

The question was submitted for an advance decision by Mr. Lee M. Cassidy, Executive Director of the President's Commission on Executive Exchange, The White House.

The Executive Interchange Program was established under Executive Order No. 11451 of January 19, 1969. This order designated a commission to develop a program under which executives from the Government and private industry would be placed in positions in each other's sector so as to allow for an interchange of ideas and methods. A program has been developed which places the executives from the Government and private industry in such positions for approximately 1 year. During this time, the executives are assigned positions of significant responsibility and also engage in periodic training and conferences to further enhance the learning experience.

On May 15, 1979, Executive Order No. 11451 was superseded by Executive Order No. 12136. Substantively, the new Order makes no relevant changes and the above description of the program is still correct.

Mr. Cassidy recognizes that in our decision, B-166943, August 5, 1974, 54 Comp. Gen. 87, we ruled that Federal employees participating in the program are entitled to travel

*[Entitlement of Employees Participating in Executive Interchange Program to Per Diem]*  
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and relocation expenses authorized generally to employees transferred in the interest of the Government. In reaching this result, we concluded that the nature and purpose of the Executive Exchange Program resulted in the employee being on a work assignment rather than a training assignment. Therefore, we held that the employees were entitled to the travel and relocation entitlements incident to a transfer. 54 Comp. Gen. at 88-89.

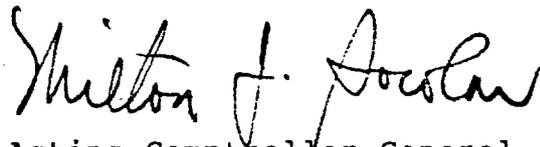
Mr. Cassidy requests that we further consider our ruling in 54 Comp. Gen. 87, to allow agencies to authorize travel and transportation entitlements for the program participants in a flexible manner which would alleviate certain problems which have arisen. Mr. Cassidy indicates that the authority to grant a per diem or commuting expenses is sought where this would not only accommodate the employee but result in considerable savings to the Government when compared with relocation costs.

The submission contains several examples of specific problems including the following. A current Department of the Navy employee has been assigned to a private employer approximately 70 miles from his home. The employee may be authorized relocation expenses but not commuting expenses though the employee would prefer the latter and it would cost the Government about one-third as much as relocation expenses. In the other situation, an employee from Washington is assigned to Connecticut for approximately 11 months. For family reasons, he is unable to relocate his family and must bear all the expenses of maintaining a residence in Connecticut and a residence in Washington. If he were authorized a per diem, the cost to the Government would be about one-half of the cost of relocation expenses which he could have received.

In 54 Comp. Gen. 87, we did not consider the question involved in the instant case. We concluded the employees serving under the program were on a working assignment and entitled to the travel and relocation allowances; however, having answered the question raised, we did not discuss whether the nature of the work assignment required that travel and relocation allowances incident to permanent change of station were the exclusive entitlements available to the employee.

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We recognize that the Executive Exchange Program has characteristics that are different than those normally involved in Federal employment. The employees while so assigned--normally for 1 year--are placed in a leave-without-pay status. Thus, they preserve fringe benefits, entitlements such as life and health insurance as authorized by law. Compensation for the work assignment is paid by the private sector host. We cannot, therefore, equate, on an absolute basis, employees' rights while on such assignments with other Federal employees. We recognize, though, that they are still employees of the Federal Government. As such, it would not seem to us to be unreasonable to permit them, in appropriate cases, to be authorized a per diem for these limited duration assignments. Accordingly, we hold that Federal employees assigned to the private sector under the program may be authorized per diem (or commuting expenses in lieu of and not to exceed per diem) so long as reimbursement for such costs are an amount less than or equal to relocation expenses. The conclusion we reach is in general accord with the travel expense principles set forth in both the Training Act, 5 U.S.C. 4109, and the Intergovernmental Personnel Assignments Act, under 5 U.S.C. 3375, though the measure of reimbursement in each situation is somewhat different.



Acting Comptroller General  
of the United States