

DECISION

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

119034

FILE: B-205356

DATE: July 23, 1982

MATTER OF: Payment of Agency's Membership Fees in Private
Organization

DIGEST: Use of appropriated funds to pay an agency's membership fees in a private organization is not prohibited by 5 U.S.C. § 5946 where the membership is to be purchased in the agency's name rather than that of an individual. Prior to its use of appropriated funds for such a purpose, an agency must make an administrative determination that the payment of fees is necessary for the agency to carry out its authorized activities. In addition, the proposed membership must primarily benefit the agency involved, not its individual employees.

The Associate Deputy Assistant for Pay, Travel and Disbursing Systems, Department of the Navy, requests our advance decision on the propriety of using appropriated funds to pay for membership dues in a local private organization. The Commander of the Naval Air Development Center in Warminster, Pennsylvania, seeks to use \$1.00 of appropriated funds for membership fees in the Warminster Rotary Club. The Commander indicates that, based on our decision at 24 Comp. Gen. 814 (1945), he has been advised that payment of Rotary membership dues by the Center would be improper. We disagree with this interpretation of our prior decision. In light of the Center's stated purpose for joining the Club, and the fact that the membership is to be taken out in the name of the Center, not primarily for the use or benefit of any individual employee, we conclude that the payment is proper.

The Naval Air Development Center is located in the Township of Warminster, in the densely populated suburbs of Philadelphia. The Center is the Navy's primary laboratory facility for the research, development, testing and evaluation of Naval aircraft systems. Due to the nature of the facility's mission and its central location, the Commander of the Center states that its success can only be assured with the understanding and active support of Warminster's civic and business leaders. In recent years, however, tension has increased between the Township and the Center as residential and industrial development in the area has brought homes and businesses close to the borders of Naval property. This proximity has led to:

"* * * problems, and the potential for problems, which if unattended and unresolved could likely reduce the effectiveness of this Center * * * [and its] ability to accomplish its mission.* * *"

To assure the continued success of the facility, the Commander seeks to improve contact and communication between the Center and the Warminster community. In many communities housing major military installations, civic and military officials have established joint advisory boards to deal with developing problems. This type of forum has not been established in Warminster, however. Instead, according to the Commander, the weekly meetings of the Warminster Rotary Club have "evolved to fill that vacuum and provide the only available common forum" for military officials to discuss and resolve problems with local business and civic leaders. Since the Rotary is the only existing forum for such discussion in Warminster, the Commander believes that the Center's participation in weekly Rotary meetings is necessary to assure its continued successful operation. Therefore, the Commander now seeks to use \$100 in appropriated funds to purchase a Rotary Club membership in the name of the Naval Air Development Center.

A major issue in this case is whether the payment of Rotary membership fees in the name of the Center is proper under 5 U.S.C. § 5946 (1966). That section prohibits the use of appropriated funds to pay a Federal employee's membership fees in any organization unless the payment is authorized by a specific appropriation or express terms in a general appropriation, or the membership is part of an employee training program authorized by 5 U.S.C. §§ 4109 and 4110. Section 5946 specifically prohibits the payment of dues for individual Government employees, regardless of any benefit which might accrue to the agency as a result of the individual's membership. However, this section does not prohibit the payment of an agency's membership fee in a private organization. So long as the primary benefit of the membership accrues to the agency, rather than its employees, and the agency determines that its membership in a particular organization is necessary to carry out its statutory functions, the agency may use appropriated funds to pay membership fees. See, e.g. 53 Comp. Gen. 429, 431 (1973); 52 Comp. Gen. 495, 496 (1973); 31 Comp. Gen. 398 (1952).

This same rule was stated in 24 Comp. Gen. 814, supra, mentioned in the submission as precluding payment. Although in that case the agency involved indicated that "no officer or employee attends meetings thereof, or otherwise takes part in activities of the association or derives any benefit therefrom," that fact was not necessary to our conclusion. If the primary benefit of membership accrues to the agency, payment of the membership fee is proper even if individual employees participate and benefit incidentally from the activities of the association. See 24 Comp. Gen. at 816. We have consistently followed this rule in later cases, as discussed above.

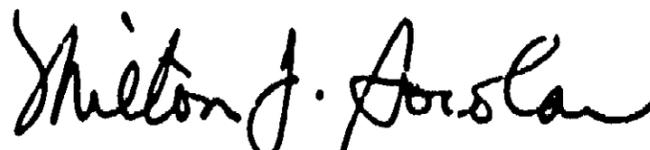
The Naval Air Development Center's proposed membership in the Rotary Club will benefit only the Center, not any of its individual employees. According to the Commander, individual Center employees will participate in Rotary meetings solely as representatives of the Navy, neither expecting nor receiving any personal benefits from the Center's membership. Beyond this representative capacity "no individual will otherwise take part in activities of the organization."

Furthermore, the Commander of the Center believes that the payment of membership fees in the Rotary Club is necessary to ensure the overall success of the Center's mission. Since no joint military/civilian advisory board exists in the Township, the weekly meetings of the Rotary Club provide the only opportunity for Center personnel and local civic leaders to meet and discuss their mutual problems. The Commander believes that the Center's involvement in such discussions is crucial to the resolution and prevention of difficulties which, if left unresolved, might reduce the effectiveness of the Center.

"* * * It is for this reason, namely to obtain the benefits derived from the regular opportunity to meet and discuss mutual problems with civic and business leaders, that this Center has administratively determined it necessary to participate in weekly meetings of the Rotary."

Since the Commander has administratively determined that the payment of Rotary membership fees is necessary to carry out the Center's mission, and since the proposed membership will be of benefit primarily to the Center and not to its individual employees, payment of the Center's membership fees in the Warminster Rotary Club is not prohibited by 5 U.S.C. § 5946 or any other statute so far as we are aware. Such payment is proper as a necessary expense of the Center's operation.

Our conclusion in this case, however, does not mean that every military installation or regional Government office can use appropriated funds to join the Rotary, Kiwanis, Lions, and similar organizations. Under 5 U.S.C. § 5946, and our decisions cited above, appropriated funds can be used for agency membership in a private organization only when the agency can establish that the membership will contribute substantially to the fulfillment of its mission. In this case we have approved the expenditure only because we agree with the Center Commander's determination that participation in meetings of the Rotary is crucial to the Center effectively carrying out its mission.

for 
Comptroller General
of the United States