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Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Farm Credit Administration - Use of Funds

File: B-248967

Date: March 22, 1993

DIGEST

1. Since the Farm Credit Administration's expenses are paid with funds that are not to be construed to be appropriated funds, 12 U.S.C. § 1250 (b)(2), and since the Farm Credit Administration has specific statutory authority to pay the costs of non-government personnel to attend FCA meeting, 12 U.S.C. 1249, the prohibition on the use of appropriated funds for such expenditures contained in 31 U.S.C. § 1345 does not apply to FCA.

2. The Farm Credit Administration may use its official reception and representation funds to purchase business cards for its employees whose jobs include official representation.

DECISION

The Inspector General, Farm Credit Administration (FCA) asks (1) whether the FCA may pay the costs of non-government personnel to attend an agency meeting and (2) whether the FCA may purchase business cards for its employees. As the following discussion shows, the FCA's funds are not appropriated funds. Also the FCA has specific statutory authority to pay for the necessary expenditures associated with attendance at meetings and conferences. As such, it is not subject to the prohibition on these expenditures found in 31 U.S.C. § 1345. With respect to business cards, the FCA should only use official reception and representation funds to purchase business cards for staff members whose jobs include official representation.

BACKGROUND

The Farm Credit Administration is an independent agency of the executive branch of the government. 12 U.S.C. § 2241. The FCA collects assessments from farm credit institutions and from the Federal Agricultural Mortgage Corporation and deposits the assessments in the Farm Credit Administration Administrative Expense Account in the Treasury of the United States. 12 U.S.C. § 2250 (b)(1). Once deposited, they are available to pay FCA expenses "without regard to the Balanced Budget and Emergency Deficit Control Act of 1985 . . . or any other law." 12 U.S.C. § 2250(b)(1). Moreover, "[t]he funds contained in the Expense Account <u>shall not be construed to be federal government funds or appropriated moneys</u>."[1] 12 U.S.C. § 2250(b)(2)(emphasis added). Nevertheless, Congress establishes annual limitations on the use of the funds. For example, the Department of Agriculture Appropriation Act, 1992 includes the following provision:

> FARM CREDIT ADMINISTRATION
>
> LIMITATION ON REVOLVING FUND FOR ADMINISTRATIVE EXPENSES
>
> Not to exceed $40,290,000 (from assessments collected from farm credit institutions and from the Federal Agricultural Mortgage Corporation) shall be available for administrative expenses as authorized under 12 U.S.C. § 2249, of which not to exceed $1,500 shall be available for official reception and representation expenses.

Pub. L. No. 102-142, 105 Stat. 911, Oct. 28, 1991.

DISCUSSION

<u>Payment of Costs of Non-Government Personnel Attending FCA Meeting</u>

The Inspector General asks whether the FCA may pay the cost of non-government personnel to attend an Administration meeting or conference. Without specific statutory authority, agencies may not use appropriated funds to pay the expenses of non-government personnel attending meetings or conferences. 31 U.S.C. § 1345 provides, in relevant part:

> "Except as specifically provided by law, an appropriation may not be used for travel, transportation, and subsistence expenses for a meeting. This section does not prohibit --

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[1]Public Law 100-233, § 432(a), 101 Stat. 1660 (1988) added subsection (b) to section 2250 of title 12, United States Code. The legislative history of this provision does not indicate the reasons for the change, although the change may have been made in response to decisions of this Office concluding that FCA's funds are subject to the Balanced Budget and Emergency Deficit Control Act of 1985, B-221498.9, Feb. 25, 1986, and that FCA's funds are appropriated funds. B-210555.16-O.M., Jan. 13, 1987.

"(1) an agency from paying the expenses of an officer or employee of the United States Government carrying out an official duty; . . ."

The FCA contends that 31 U.S.C. § 1345 does not apply to it since the statute only prohibits the use of an "appropriation" for such expenses. FCA officials point out that Congress specifically provided in FCA's enabling legislation that funds contained in the Administrative Expense Account "shall not be construed to be federal government funds or appropriated moneys." 12 U.S.C. § 2250(b)(2)(1988). We note, however, that Congress, as far back as 1954, has imposed limitations on FCA funds in annual appropriation acts. See Agriculture, Rural Development, Food and Drug Administration and Related Agencies Appropriation Act, 1992, Pub. L. No. 102-142, 105 Stat. 911; Pub. L. No. 437, 68 Stat. 317 (1954). This apparently has engendered some confusion as to the character of FCA's monies.

In our view, the two statutory provisions, 12 U.S.C. § 2250 (b)(2) and the annual Limitation On Revolving Fund for Administrative Expenses, can be readily reconciled. Through the appropriations process, Congress has decided to assert direct control over the amount of funds available to the FCA for obligation in a given fiscal year. Beyond this however, Congress does not want the FCA's funds to "be construed to be . . . appropriated funds" and accordingly, neither the restriction in Section 1345, nor, as a general proposition, other restrictions on the use of appropriated funds attach to the FCA's funds.[2]

We also note that the prohibition in 31 U.S.C. § 1345 can be overcome for a particular fiscal year with language in an appropriation act making the appropriation available for "expenses of attendance at meetings" or similar language. See 34 Comp. Gen. 321 (1955); 24 Comp. Gen. 86 (1944); 17 Comp. Gen. 838 (1938). This authority may also be permanent. See 37 Comp. Gen. 708 (1958). Here, 12 U.S.C. § 2249 specifically authorizes the FCA, within the limits of funds available, to make necessary expenditures for, among other things, "expenses of attendance at meetings and conferences." The statute does not limit the use of FCA funds only for the expenses of FCA employees attendance at meetings or conferences. Thus, to the extent that it might be argued that section 1345 does apply to the FCA, FCA may

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[2]By limiting the amount of funds available to FCA for official reception and representation expenses, Congress has impliedly restricted the availability of the Administrative Expense Account, beyond the amount annually provided in the appropriation act, for these purposes.

use its funds to pay the costs of non-government personnel to attend FCA meetings.

FCA Purchase of Business Cards

The Inspector General, FCA, also has asked whether the FCA may, as it has historically done, provide its employees with business cards, and if so, under what authority. The FCA, as "an independent agency in the executive branch of the Government," 12 U.S.C. § 2241, is required to have its printing done by or through the Government Printing Office (GPO) except in those classes of work, the Joint Committee on Printing considers urgent or necessary to be done elsewhere. 44 U.S.C. § 501. In addition, the FCA may not cause to be printed a document or matter unless it is authorized by law and necessary to the public business. 44 U.S.C. § 1102(a). In this regard, section 20 of the Government Printing and Binding Regulations provides that the "printing or engraving of calling or greeting cards is considered to be personal rather than official and shall not be done at government expense." S. Pub. No. 101-9, 101th Cong., 2nd. Sess 14 (1990).

The FCA contends that this regulatory prohibition does not apply to it. FCA claims that its authority to use its funds to "make necessary expenditutes for . . . printing and binding . . . as it may from time to time find necessary for the proper administration of this chapter", 12 U.S.C. § 2249 (1988), overcomes the general prohibition in the Printing Regulations.

In our view, the above quoted section of the Farm Credit Act authorizes FCA to use its fund to pay, among other administrative expenses, for printing and binding. Nonetheless, pursuant to 44 U.S.C. § 501, the FCA must obtain its printing from GPO unless one of the exceptions applies. We do not agree that the language of 12 U.S.C. § 2249 provides FCA with anything more than the authority to pay an otherwise authorized source such as GPO for printing; it does not provide FCA with independent printing authority.

We also do not agree that the FCA should expend funds for business cards for its employees. The Printing Regulations reflect the long-held view that business cards are a personal expense of government employees. We have similarly viewed expenditures for business cards as a personal expense and concluded that federal agencies may not expend funds for business cards. 68 Comp. Gen. 467 (1989); 3 Comp. Gen 433

(1924). Accordingly, we would not endorse the use of FCA funds for such a personal expense as business cards.[3]

However, consistent with our prior decisions, the FCA may charge the expense of printing business cards to its official reception and representation account so long as it does not exceed the $1,500 limit mandated by Congress and so long as the duties of employees who receive the cards involve official representation. See B-223678, June 5, 1989; Pub. L. No. 102-142, 105 Stat. 911 (1991).

for Milton J. Socolar
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[3]An argument could be made that since the FCA Fund is specifically designated not to be "government funds" and since section 20 of the Printing Regulations indicate that printing of business cards should not be done "at government expense", the restriction does not apply. As we noted earlier, the head of an independent establishment can only cause to be printed a document or matter "necessary to the public business." 44 U.S.C. § 1102(a). We think that regardless of the character of FCA funds, the statutes cited earlier and the implementing Printing Regulations clearly indicate that the printing of business cards are not, given their personal nature, necessary to the public business.