



The Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Veterans Administration--Advance Payments of
Coupons for Publications

File:

B-230393

Date:

June 27, 1988

DIGEST

The Veterans Administration's advance purchase of coupons, which are redeemable for cash if unused, for use in procuring medical articles would not violate the prohibition against advances of public money, because it would fall within the exception in 31 U.S.C. § 3324(d) for "charges for a publication printed or recorded in any way for the auditory or visual use of the agency."

DECISION

The Director of the Office of Budget and Finance, Veterans Administration (VA), requests our decision to resolve whether the VA can properly make payments in advance to the New York Academy of Medicine for coupons which may be exchanged for articles published in medical journals and medical books. For the reasons given below, we conclude that these payments would be proper.

The New York Academy of Medicine sponsors a program which allows medical libraries to obtain particular articles published in medical journals or books, which are in some cases rare and expensive, at the cost of \$7.00 per article. The participating medical libraries purchase coupons for use in procuring the medical articles, thereby allowing the New York Academy of Medicine to save on bookkeeping costs, and in turn keep the article expenses low. Unused coupons can be returned to the Academy for an immediate cash refund.

The question is whether the advance payment for coupons, to be used for the purchase of publications, violates the general prohibition against advances of public money contained in 31 U.S.C. § 3324(b). An exception to this prohibition is set forth in 31 U.S.C. § 3324(d), which provides:

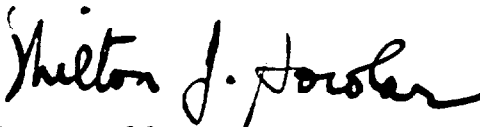
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"The head of an agency may pay in advance from appropriations available for the purpose - - . . . (2) charges for a publication printed or recorded in any way for the auditory or visual use of the agency."

This Office has held that items which are read, such as books, pamphlets, newspapers, and periodicals constitute publications. See 57 Comp. Gen. 583 (1978); 41 Comp. Gen. 211 (1961). Clearly, the medical articles at issue are publications as contemplated by the statute, and the VA could make advance payment directly for the articles.

The advance purchase of coupons which are redeemable for cash, if unused, has been found to be proper in certain cases by our Office. See 39 Comp. Gen. 201 (1959) (reimbursement for coupon books, which are exchanged for purchase of gasoline at reduced prices for vehicles used for official business, and which are redeemable for cash if unused, is not in violation of the advance payment prohibition.) Although in B-139388, June 4, 1959, we held that the advance payment to the American Standards Association (Association) for a coupon book to be used in procuring specification standards issued from time to time by the Association violated the advance payment prohibition, that case is distinguishable from the current one. When B-139388 was decided, the statutory exception to the advance payment prohibition (then contained in 31 U.S.C. § 530) only extended to subscriptions for newspapers, magazines and other periodicals for official use. The specification standards issued from time to time did not fall within the scope of this exception.

In the instant case, we conclude that advance payment for the medical articles is proper, and therefore the VA may purchase coupons in advance to exchange for the articles (or a cash refund if the coupons are unused) pursuant to 31 U.S.C. § 3324(d).

for 
Comptroller General
of the United States