



The Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Defense Technical Information Center--Availability
of Two Year Appropriations

File: B-232024

Date: January 4, 1989

DIGESTS

1. The Defense Technical Information Center may use 2-year funds appropriated for fiscal year 1987 for obligations properly incurred in fiscal year 1988. As the appropriation was specifically made available for obligation until September 30, 1988, it could be obligated during the entire two years of its availability.
2. The Defense Technical Information Center does not violate the bona fide needs rule by charging purchases to a two-year appropriation during the second year of its availability. Requisitions by the Defense Technical Information Center represented bona fide needs arising within the two-year period for which the appropriation was intended and obligations may be made to the extent funds remain available.

DECISION

An authorized certifying officer of the Defense Logistics Agency (DLA), Department of Defense, has requested an advance decision regarding the availability of two-year funds appropriated in fiscal year 1987 to pay for items requisitioned in fiscal year 1988. For the reasons given below, we conclude that use of the fiscal year 1987 appropriation is proper.

BACKGROUND

On February 19, 1988 and March 1, 1988, the Defense Technical Information Center (DTIC) submitted several requisitions for supplies (totaling \$4,216) citing its fiscal year 1987 Research and Development appropriation. The certifying officer refused to certify the availability of fiscal year 1987 funds to cover the requisition. DTIC

044224 / 137677

challenged the certifying officer's decision before DLA's Program and Budget Division, Office of the Comptroller (Comptroller). The Comptroller held that DTIC had the authority to obligate fiscal year 1987 carryover funds for fiscal year 1988 obligations because those funds remained available for obligation until September 30, 1988. However, the certifying officer again refused to certify the requisitions, stating it was improper to use fiscal year 1987 funds to pay for material ordered in fiscal year 1988. The certifying officer's decision is based on the fact that traditionally the Office of the Assistant Secretary of Defense Comptroller, Directorate for Research and Development, has followed the rule that costs for common supplies, travel and payroll are properly chargeable only to the first year of Research and Development appropriations. This, the accounting officer asserts, is the position carried out by the Assistant Secretary of Defense Comptroller as part of a policy of "incremental funding". Furthermore, the certifying officer alleges that such an obligation would violate the "bona fide" needs rule.

DISCUSSION

The fiscal year 1987 appropriation for Research, Development, Test, and Evaluation activities of the Defense Agencies--from which funding for DTIC derives--states:

For expenses of activities and agencies of the Department of Defense (other than the military departments), necessary for basic and applied scientific research, development, test, and evaluation, advanced research projects as may be designated and determined by the Secretary of Defense, pursuant to law; maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; \$6,742,091,000, to remain available for obligation until September 30, 1988.

Pub. L. No. 99-591, 100 Stat. 3341-97 (1986) (emphasis added).

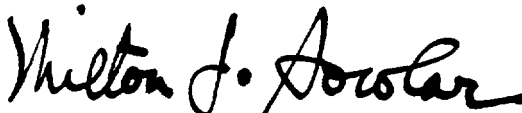
The appropriation by its terms is available for obligation until September 30, 1988. The general rule is that the availability period relates to the authority to obligate the appropriation. 37 Comp. Gen. 861, 863 (1958). Therefore, the funds appropriated in fiscal year 1987 remained available until September 30, 1988, and DTIC's use of these funds in fiscal year 1988 was proper.

The certifying officer also argues that DTIC's action involves a possible violation of the "bona fide" needs rule.

The bona fide needs rule provides that a fiscal year appropriation may be obligated only to meet a legitimate need arising in the fiscal year for which the appropriation was made. 58 Comp. Gen. 471, 473 (1979). The bona fide needs rule applies with equal force to multiple year appropriations. 55 Comp. Gen. 768, 773 (1976).

The appropriation involved here was available for a two-year period and any bona fide need arising within that two-year period could be charged to the appropriation. There is no requirement that two year funds be used only for the needs of the first year of their availability.

Thus, we conclude that there is no violation of the bona fide needs rule because DTIC's requisition items represent legitimate requirements--supplies needed for DTIC's ongoing research operations--arising in one of the fiscal years for which the appropriation was made, i.e., 1988. Obligations may be made to the extent unexpended funds carried over from the fiscal year 1987 Research and Development appropriation are still available.^{1/}

for 
Comptroller General
of the United States

^{1/} Whether the DTIC's purchasing action conflicts with non-statutory policies and practices of the DOD Comptroller is an internal policy matter; we merely hold that given the facts presented, there appears to be no violation of federal appropriations law.