

Shipman
trans.

14405

DECISION



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

FILE: B-198194

DATE: July 28, 1980

MATTER OF: Civil Aeronautics Board

[Airline Claims Involving Unauthorized Use of Government
Transportation Requests]

DIGEST:

1. Common carrier, which, without negligence and in good faith, honors Government transportation request (GTR) regular on its face although fraudulent is entitled to payment for services rendered.
2. Common carriers honoring GTR are required only to exercise due care to establish identity of traveler as party to whom GTR was issued.

The Comptroller of the Civil Aeronautics Board (CAB) requests an advance decision concerning the propriety of paying claims of various airlines for travel services furnished pursuant to unauthorized and illegal use of Government transportation requests (GTR).

The report of the CAB shows that an employee of the CAB, occupying the position of "Voucher Examiner," apparently misappropriated a large number of GTRs. These GTRs were used by the employee for personal travel or were given or sold to third parties for personal travel mostly by several different airlines. The CAB has paid \$6,134.74 in claims for airline travel on the fraudulent GTRs. The remaining claims aggregating \$32,113.60 are being held in abeyance pending the decision of our Office.

The CAB has requested a decision by the Comptroller General answering the following questions: First, Have the carriers a claim against the Government for services rendered pursuant to unauthorized GTRs?; and, second, If not, does the Government have a claim against the carriers for \$6,134.74 of charges paid on such unauthorized GTR travel?

Our Office has repeatedly held that a carrier, which, in good faith and without negligence, has furnished transportation on request or by other contractual arrangements, is entitled to payment, although

011465

112882

the transportation was unauthorized, and that the underlying pecuniary liability for the unauthorized use will be the responsibility of the Government if the forgery is untraceable, the custodians are free of liability, and the carrier has exercised the acceptable degree of procedural safeguard.. 4 Comp. Gen. 630 (1925); 14 Comp. Gen. 631 (1935); 21 Comp. Gen. 559 (1941); 25 Comp. Gen. 360 (1945); B-190576, February 10, 1978; Cf. 48 Comp. Gen. 773, 774 (1969).

In 25 Comp. Dec. 811 (1919), it was held that "The agents of transportation companies cannot be acquainted with the officers and employees of the Government, and a request if in proper form and apparently good upon its face, without erasure or alteration, may be honored accordingly, thus involving the Government in the payment for the services indicated thereon."

The CAB refers to the provisions formerly published in Title 5 of the GAO Policy and Procedures Manual for Guidance of Federal Agencies and now published by the General Services Administration (GSA) in 41 C.F.R. part 101, which places on a carrier an obligation to require the traveler to establish his identity as the traveler or party authorized to receive the ticket. The CAB interprets this requirement as "meaning carrier's are supposed to ask for a travel authorization and a Federal ID card before accepting a GTR * * *."

Section 101-41.208-1, upon which CAB bases its contention, provides:

"GTR's shall be completely filled out and properly signed by the issuing officer so as to be valid for presentation to obtain transportation services and/or accommodations. Carrier agents shall not honor GTR's which are incomplete or unsigned or which show erasures or alterations not validated by the initials of the issuing officer. Carriers shall require the person presenting a valid GTR to establish his identity as the traveler or party authorized to receive the ticket, exchange order, refund slip, or other transportation document. In the absence of satisfactory identification, the GTR shall not be honored." (Emphasis added.)

In accordance with the regulation for honoring GTRs the reverse side of the GTR only states--"Carriers shall not honor requests showing erasures or alterations not validated by initials of the issuing officer." A valid GTR is defined in the first part of that provision as a GTR which is completely filled out and "properly signed by the issuing officer." In the present instance none of the GTRs were properly signed by an issuing officer. Therefore, while apparently valid on their face, none of the GTRs were valid within the terms of the regulation and the further provisions of the same regulation, expressly limited to the presentation of a valid GTR, do not, by the express terms, apply here. We do not believe, however, that the result would be any different.

"Satisfactory identification" is not defined in the regulations. The CAB would limit "satisfactory identification" to a travel authorization and a Federal identification card.

Section 101-41.203-1 of the governing regulations requires that all transportation services must be procured with GTRs except as expressly exempted either in the regulations or in writing by the General Accounting Office or the Administrator of GSA. While use of a GTR is limited to official business, 49 Comp. Gen. 578, 580 (1970), it is not limited to Government employees, A-9895, December 12, 1925; 16 Comp. Gen. 1036 (1937); 19 Comp. Gen. 976 (1940); 25 Comp. Gen. 268 (1945). Consequently, the traveler very well might not have a Federal identification card.

Also while ordinarily a travel authorization will be issued in advance of the performance of travel, the Federal Travel Regulations in section 1-1.4 provides "Ordinarily, an authorization shall be issued prior to the incurrence of the expenses" (emphasis added), recognizing that not infrequently Government agents in the field will need to perform Government travel prior to the issuance of a written travel authorization.

The history of identification requirements of GTRs shows that since the establishment of the GTR system it has always been the rule, insisted upon alike by the transportation companies and the Government, that the request must be signed by some responsible officer as well as receipted by the traveler to whom the

transportation was furnished. A-14235, May 16, 1928. Our Office has issued regulations which addressed various problems and circumstances concerning identification of the traveler using GTRs. Thus, from 1926 to 1946 an official identification card was required. See GAO General Regulations No. 46, 5 Comp. Gen. 1056 (1926). The requirement for an official identification card was rescinded by General Regulations No. 108, 26 Comp. Gen. 978, 982 (1946). This was superseded by General Regulation No. 123, 34 Comp. Gen. 782, 787 (1955), which introduced the requirement for "satisfactory identification," carried forward in the GSA regulation, 41 C.F.R. 101-41.208-1, quoted above.

Prior to General Regulation 46 ticket agents might accept any suitable official means of identification. Thus, when General Regulation 46 and the prescription of and requirement for an official identification card was rescinded carriers were once again required only to exercise due care to establish the identity of the traveler by a suitable means of identification as the party to whom the GTR was issued. What constitutes due care may vary with the circumstances. The record does not show what, if any, identification was required by the involved carriers.

Section 101-41.208 of title 41 of the Code of Federal Regulations furnishes information and guidance to common carriers for the validation of GTRs and identification of travelers. We understand that carriers of the airline industry have issued instructions (Standard Practice for handling GTRs) to its agents for compliance with these GSA regulations. Since the record contains no evidence to the contrary, it is reasonable to assume that the carriers' agents fully complied with their instructions and with the GSA regulations in accepting and honoring the involved GTRs. See, 31A C.J.S. Evidence § 134 (1964).

All of the GTRs submitted to our Office bear an apparently official stamp of the CAB, Finance Division, B-18, and address in the "bill to" space on the GTR. All but one were apparently issued by an issuing officer other than the traveler. They were issued for service by a named carrier, with specified routing and in all but one instance with the specified service. They were therefore complete and valid on their face. The carriers were therefore entitled to payment for the

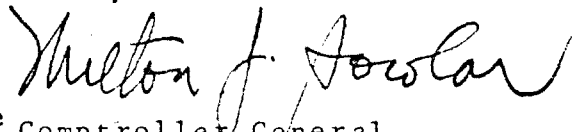
services rendered even though the GTRs were fraudulently issued.

GTR No. D7906128, American Airlines, was apparently signed by the same party both as issuing officer and as traveler. Since only a Government employee would be authorized to sign in both capacities the carrier should ordinarily have required an official identification card and refused to honor the GTR in the absence of a Government identification or satisfactory explanation for the absence of such an identification together with other satisfactory identification.

GTR No. D3620786, United Airlines, did not have the type of service entered on the copy of the GTR in our file. Section 101-41.208-1 of the GSA regulations quoted above requires that GTRs be completely filled out and provides that "carrier agents shall not honor GTRs which are incomplete * * * or which show erasures or alterations not validated by the initials by the issuing officer." Since GTR No. D3620786 does not show the type of service required it is incomplete on its face and should not have been honored by the airline. Accordingly, the carrier would not ordinarily be entitled to payment for this transportation service in the absence of a satisfactory explanation for the failure to show the service required.

GTR No. D362180 was originally made out for transportation on Eastern Airlines which was struck out and Trans World Airlines substituted. The change is not initialed by the issuing officer as provided in the regulations. A change in service is also required to be explained on a reverse of the GTR. A copy of the reverse of the subject GTR was not furnished with the record. On the basis of the present record, therefore, payment should not be made for the service on this GTR.

Accordingly, in answer to the first question, the carriers do have valid claims against the Government for unauthorized GTR travel, with the exception of the three GTRs discussed above and the answer to the second question is that the Government does not have a claim against the carriers for the \$6,134.74 already paid.


For the Comptroller General
of the United States