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DECISION



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

FILE: B-204387

DATE: February 24, 1982

**MATTER OF: Susan Gouge - Loss or theft of travel
fund advance**

DIGEST: Employee, who permitted a secretary to pick up travel advance funds during employee's travel, may not be relieved of liability for funds which were subsequently lost or stolen on the basis that she never obtained physical possession of them. Travel advancements are in the nature of a loan to the employee and thus are considered to be her personal funds. Having permitted another employee to pick up the funds for her, pursuant to agency procedures which allow an employee to send a representative, employee is liable for their loss.

ISSUE

Is an employee responsible for the loss or theft of travel advance funds which she permitted a secretary to obtain, pursuant to departmental practice allowing a representative to receive travel advance funds on the employee's behalf? The answer is yes.

STATEMENT OF FACTS

This action is in response to a letter dated August 5, 1981, from Mr. Harold R. Heiser, Chief, Accounting Branch, Division of Financial Management, Department of Health and Human Services, requesting a decision on the claim of Ms. Susan Gouge, an employee, for reimbursement of a lost or stolen travel advance in the amount of \$202.

Ms. Susan Gouge obtained authorization for a cash travel advance that was not ready at the time of her departure on temporary duty. The established procedure was for the traveler to either personally pick up the funds from the Imprest Cashier, or send a representative on his or her behalf. Ms. Barbara Winstead, the secretary who prepared the travel advance papers for Ms. Gouge (and routinely did so on behalf of employees within the department), assured Ms. Gouge that she would pick up the funds during Ms. Gouge's absence and hold them for her.

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The secretary picked up the money and put it in a brown envelope. She put Ms. Gouge's name on the envelope and put it in her own desk. Four days later, Ms. Gouge returned from travel but the money was gone. The funds were officially reported to be lost or stolen.

Ms. Gouge's claim for reimbursement was denied on the grounds that a travel advance is considered a personal loan for which the employee is responsible. The agency contends that Ms. Winstead acted as her agent. Ms. Gouge contends that Ms. Winstead was not her agent, but the Government's agent, and, insofar as she never personally received the funds, she is not responsible for their loss.

DISCUSSION

This office has always considered travel advances under 5 U.S.C. § 5705 to be in the nature of a loan and thus the personal funds of individual to whom they are advanced. 54 Comp. Gen. 190, 191 (B-180672, September 5, 1974).

Contrary to the contentions advanced on behalf of Ms. Gouge, it is not necessary that the employee physically possess the funds in order to be held liable for those funds. In Patricia Worthy Clement, B-200867, March 30, 1981, we held that an employee, who never personally possessed her travel advance, was responsible for its loss as a result of the actions of her secretary. We specifically stated that the employee was not relieved of liability by virtue of the fact that the funds were obtained on her behalf by another employee.

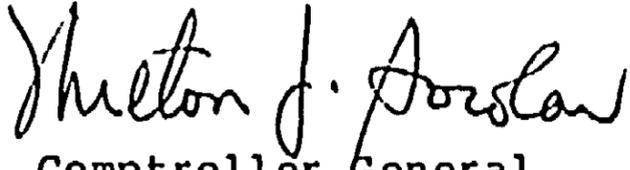
Ms. Gouge maintains that when Ms. Winstead received the travel advance she was not acting as her agent, but rather as an agent of the Government. Accordingly, Ms. Gouge contends she cannot be held responsible. Our decision in Clement dealt with similar facts and contentions. The record of that case did not contain a direct statement that the claimant had asked her secretary to pick up the travel advance. However, based on clear

evidence that the claimant requested the advance, and her failure to deny knowledge of her secretary's actions, we found the secretary had acted at Ms. Clement's request.

The existence of an agency relationship is even clearer in the present case than it was in Clement. Ms. Gouge not only requested the travel advance in writing (as Ms. Clement had) but also received Ms. Winstead's assurance that she would pick up the funds for her (Ms. Gouge). The fact that Ms. Winstead "routinely" prepared travel documents on behalf of employees in the department did not make her an agent of the Government for fund distribution purposes. There is no evidence that the employees were required to receive the funds from Ms. Winstead since departmental procedures permitted employees to pick up funds personally or by their representative. Thus, insofar as Ms. Winstead's "routine" included picking up funds, she was acting in the capacity of representative of the employees rather than pursuant to departmental requirements.

Ms. Gouge contends that the envelope contained Government funds rather than her personal funds. However, the informal manner in which both Ms. Winstead and Ms. Gouge treated the funds implies the contrary. The funds were designated as belonging to Ms. Gouge by being placed in an envelope with her name on it. None of the formalities that usually accompany the distribution of Government funds were followed.

In conclusion, we hold that for purposes of obtaining the travel advance Ms. Winstead acted as Ms. Gouge's representative under established departmental practice which permitted a representative to obtain travel advance funds on the employee's behalf. Accordingly, even though Ms. Gouge did not obtain physical possession of the travel advance, she is nevertheless responsible for the loss. The claim for reimbursement of the travel advance is denied.

for 
Comptroller General
of the United States