



The Comptroller General  
of the United States

Washington, D.C. 20548

## Decision

Seldin  
G. M.

**Matter of:** Certification of Voucher for Materials used in Savings Bond Campaign

**File:** B-225006

**Date:** June 1, 1987

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### DIGEST

Internal Revenue Service lump-sum appropriation for processing tax returns can be used to fund limited amounts of promotional materials for United States savings bond campaigns if administratively determined to be appropriate. Such expenditures, which further governmental interests, are properly incidental to that appropriation.

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### DECISION

An Internal Revenue Service (IRS) certifying officer questions the propriety of certifying for payment an imprest fund subvoucher of \$289 which covers the cost of crepe paper used in promoting sale of United States savings bonds. For the reasons given below, we find that the voucher can be certified for payment provided that the head of the IRS or his delegate finds that the expenditure is reasonable.

### Background

The record shows that the IRS Ogden Service Center (Center) in Ogden, Utah, ordered 80 rolls of crepe paper to make posters that served as campaign incentives for the Center's United States savings bond campaign. The Center claims a 30-year trend of high level employee participation. No particular justification is given for the apparently large amount of crepe paper that was used.

The imprest funds that were expended for the crepe paper come from the IRS' fiscal year 1986 appropriation for "Processing Tax Returns," one of several lump-sum appropriations to the IRS. Pub. L. No. 99-103, 99 Stat. 471 (H.R. 3036, 99th Cong., 1st. Sess. (1985)). The appropriation is for necessary IRS expenses not otherwise

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provided for, including processing tax returns, revenue accounting and computer services. The IRS informs us that this appropriation was used because it is the appropriation supporting the Center's operations.

The IRS certifying officer questions the propriety of the expenditure. He contends that since the Treasury Department's Bureau of Public Debt (Bureau) is responsible for administering the savings bond program and Treasury's Savings Bond Division (Division) is responsible for promoting and selling bonds, those offices should be the sources for promotional materials.

In response to our request for Treasury comments, the Department's Assistant Secretary for Management took a contrary view. He acknowledged that the Bureau's appropriation "Administering the Public Debt" is the general appropriation under which Treasury's promotion of savings bonds is funded. The Savings Bond Division of the Bureau receives funding from that appropriation, among other things, for printing and distributing promotional materials and for public service announcements. He said, however, that the Division does not conduct campaigns at individual federal agencies; nor does the appropriation cover the costs of activities or events put on by individual agencies. In this regard, he thought that agency use of appropriated funds for small scale expenditures to support savings bond campaigns, such as the \$289 expenditure for the crepe paper, is proper. The sale of savings bonds both assists employees to save conveniently and aids the government in financing the public debt.

### **Legal Discussion**

Section 1301 of title 31 of the United States Code provides that public funds may only be used for the purpose or purposes for which they are appropriated. Nevertheless, it is well-settled that where an appropriation is made for a particular object, by implication it confers authority to incur expenses that are necessary or proper or incident to the proper execution of the object. 50 Comp. Gen. 534, 536 (1971).

Consistent with these principles, when governmental interests are served, we have allowed certain kinds of expenditures absent specific appropriations providing therefor. For example, we have not objected to the long-established practice of government agencies cooperating in charity fund raising campaigns for health and welfare activities, even though these activities are not specifically authorized by statute. See, e.g., B-155667, Jan. 21, 1965; B-154456, Aug. 11, 1964. These campaigns have required some work time

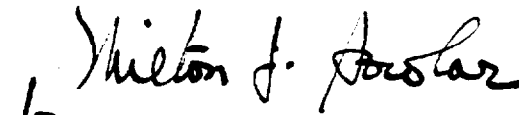
of federal employees, government supplies and equipment, and undoubtedly, limited purchases of promotional materials.

Similarly, although there is no particular statutory program for promoting the purchase of United States savings bonds, it is the policy of the federal government to do so. This policy is expressed both by statute and executive order. Sections 3105 and 3106 of title 31 delineate the terms of issuance, purchase and sale of savings bonds. Executive Order No. 11981, 42 Fed. Reg. 17095, Mar. 29, 1977, established an Interagency Committee for the Purchase of United States Savings Bonds. Among other things, the order directs federal agencies to institute the Committee's recommended plans for organizing and selling bonds. Moreover, as mentioned by the Treasury Department, sales of savings bonds furthers the governmental interest of financing the public debt and also provides an easily available investment opportunity for federal employees.

We have no objection to the IRS using its appropriations for limited support of United States savings bond campaigns. Such expenditures carry out governmental policy and further the governmental interest described. The expenditure of \$289 for the crepe paper, if otherwise proper, may be considered incidental to the IRS lump-sum appropriation for "Processing Tax Returns." This appropriation, which specifically is intended for necessary IRS expenses not otherwise provided for, is both broad enough to cover limited expenditures for savings bond campaign promotional materials and is the appropriation supporting the Center's activities.

Since we have no information about the size of the facility, nor about how the crepe paper was used, we cannot conclude from the record that the expenditure was or was not unreasonable. Consistent with the administrative discretion afforded federal agencies, see B-155667, Jan. 21, 1965, we leave resolution of that issue to the IRS.

Accordingly, we find that the voucher can be certified for payment provided that the head of the IRS or the appropriate delegate finds that the expenditure is reasonable.

  
for Comptroller General  
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