

RESTRICTED — Not to be released outside the General Accounting Office except on the basis of specific approval by the Office of Congressional Relations, a record of which is kept by the **COMPTROLLER GENERAL OF THE UNITED STATES**, Publications Branch, OAS
WASHINGTON, D.C. 20548

089678



B-158712

RELEASED

089678

MAR 4 1974

~~44509~~

74-0172

The Honorable Daniel K. Inouye, Chairman
Foreign Operations Subcommittee
Committee on Appropriations
United States Senate

SI
TR

S 306



LM089678

Dear Mr. Chairman:

Pursuant to your request of October 23, 1973, GAO has examined current overseas vehicle assignment policies of the Agency for International Development (AID). 97

Our examination, which was centered on the AID Missions in Vietnam, Thailand, Laos, Cambodia, and Jordan, disclosed that AID had instructed these Missions to study their policies on the use and control of Government-owned vehicles and to report on the steps they were prepared to take toward implementing the recommendations of your Subcommittee. Enclosed are the results of our examination.

In summary, we found that each Mission had reevaluated its policies and had reported back to AID on its current practices and justification therefor. The Missions in Vietnam and Cambodia continue to provide vehicles for home-to-work, off-duty, and recreational purposes without charge; in Thailand a charge is imposed for such use; in Laos a charge is imposed for off-duty and recreational use of vehicles, but home-to-work transportation is furnished without charge; and the Mission in Jordan does not provide home-to-work transportation and charges a rate of 12 cents a mile for recreational use.

If we can be of further assistance to you in this matter, please let us know. We do not plan to distribute this report further unless you agree or publicly announce its contents.

Sincerely yours,

Deputy Comptroller General
of the United States

Enclosure

904688

089678

CURRENT OVERSEAS VEHICLE ASSIGNMENT POLICIES OF
THE AGENCY FOR INTERNATIONAL DEVELOPMENT

In its January 1973 report, the Foreign Operations Subcommittee, Senate Committee on Appropriations, recommended that a charge be imposed in Vietnam for using Government vehicles for home-to-work transportation and for off-duty and recreational purposes. The Subcommittee said this also should be done at other posts where such transportation is provided without cost to the user.

Policies on use and control of Government-owned vehicles are spelled out in Uniform State-Agency for International Development (AID)-United States Information Agency Regulations. When the chief of a diplomatic Mission decides that transportation between residence and office is required, the regulations on charges are as follows.

"Transportation to and from work is normally the responsibility of the employee. Therefore, the Chief of a Diplomatic Mission shall impose a charge for such transportation except when he determines that unusual and unique circumstances exist which justify waiving the charge. The chief of mission will determine the amount of the charge. The average cost in the United States of twenty cents per one-way trip should be used as a guide but may be different when, under local conditions, it would be unfair or inequitable. The charge established by the chief of mission will apply to contract employees unless the contract provides for such transportation to be furnished free of charge. The charge will also apply to third country nationals and may apply to local employees unless inconsistent with local custom or other overriding factors."

When transportation for other authorized uses is approved, such as for off-duty and recreational purposes, the Uniform Regulations state:

"There shall be a standard charge of 12¢ per mile for the use of each vehicle. All funds collected for this standard charge must be deposited to the General Fund Receipt Account and will not be

available for reuse. However, when transportation of dependent children to and from school is furnished, no charge will be made."

In May 1973 AID communicated the Subcommittee's recommendations for imposing charges to its Missions in Vietnam, Thailand, Laos, Cambodia, and Jordan. AID instructed the Missions to study the matter and to report back on the steps they were prepared to take toward implementing the recommendations. Accordingly, our review centered on these five Missions.

VIETNAM

The Mission in Saigon reported in June 1973 that, like all other elements of the U.S. Mission, it was operating Government-owned vehicles in compliance with the Ambassador's authorization which was then scheduled to expire on September 8, 1973. The Mission said that rather than take unilateral action to implement the Subcommittee's recommendations, it preferred to continue providing transportation without charge under the Ambassador's authorization until it expired. Meanwhile, it would complete in-depth studies on the feasibility and practicability of implementing the recommendations in collaboration with other U.S. agencies in Vietnam.

On July 30, 1973, the Ambassador decided to continue the policy of providing Government transportation without charge for American employees of U.S. agencies in Vietnam between residences and offices, to and from recreational facilities, medical facilities, commissary, post exchange, etc. His decision was spelled out in a U.S. Mission Policies and Procedures statement issued August 21, 1973.

Data from the AID Mission in Saigon, current as of June 30, 1973, showed that AID had 242 Government-owned sedans and station wagons in and around Saigon; 49 of the vehicles were assigned to employees with chauffeurs, 71 were assigned to individuals and/or offices on a self-drive basis, and 30 were assigned to contractors. All other vehicles in and around Saigon, and 133 drivers, were assigned to motor pool operations. This data and the Mission's response to AID/Washington indicate that a substantial part of the AID passenger vehicle fleet in Vietnam is still being assigned to individuals or positions, with chauffeurs

or on a self-drive basis, with no charges imposed for home-to-work transportation or off-duty and recreational use.

AID's normal policy overseas is to assign a vehicle and chauffeur to the principal officer of each AID Mission or unit, with all other vehicles and drivers to operate as a motor pool. AID stated that the individual assignment of vehicles and chauffeurs in Vietnam, however, was due to the size and complexity of the program.

THAILAND

The Mission in Bangkok reported in May 1973 that it charged employees \$8 a month for daily transportation to and from work. It indicated that the monthly charge was changed as warranted by annual reexamination of operating costs.

For other authorized nonofficial use of vehicles, the Mission reported charges of 12 cents a mile from point of pickup to place of discharge. Waiting time after the first 30 minutes is computed in increments of not less than 30 minutes and charged at the rate of 40 cents an hour. The Mission does not authorize use of official vehicles for recreational purposes.

A flat rate of \$15 a month is charged to upcountry personnel who have not imported privately owned vehicles and who are assigned official vehicles. The flat rate covers home-to-work transportation and nonofficial use of vehicles at assigned posts.

LAOS

The Mission in Vientiane reported that it was administering the policy of a mandatory charge of 12 cents a mile for transportation for nonofficial and recreational purposes. Regarding home-to-work transportation, however, it was complying with the October 1972 determination of the Ambassador to Laos to provide official transportation without charge to all American employees because of the following unusual circumstances in Laos.

ENCLOSURE

The Mission cited the following reasons for not imposing a charge for home-to-work transportation.

- On an average workday, about 45 of the staff of about 280 Americans use official transportation to and from work. Other than those authorized to retain vehicles or provided transportation by projects, many prefer to drive, some share carpools, and others prefer to bicycle or walk if close enough. The 45 employees would be a minority discriminated against under a charge system.
- All housing is Government-assigned and individuals have no control over where they live in relation to where they work.
- Problems of collecting for Government transportation are infinite and virtually unmanageable. Employees are often out of town, ride with friends, or may not go directly home after work. Therefore, charging for each individual trip would be the only equitable way compared with charging by the week or month and adjusting for transportation not used. This would involve some system of chits or commuting tickets which would depend on enforcement by non-English-speaking drivers with no known way of making sure the chits turned in were equal to the number of persons hauled. Handling money would be out of the question.
- Any conceivable system would require elaborate accounting and enforcement in a highly dispersed activity and would produce inevitable inequities, complaints, and appeals from billings which would more than offset any increased revenue to the U.S. Government.
- Unless other U.S. agencies adopted a charging policy, the established principle of uniform policies at overseas posts would be violated and, no doubt, serious morale problems would result from discriminatory treatment by the AID Mission.
- Collection of fees for home-to-work transportation would not be justified because the administrative costs would exceed the small monetary return.

CAMBODIA

The office in Phnom Penh, which is in fact the economic section of the Embassy, responded that it was complying with a formal determination by the Ambassador not to charge for to-and-from work or recreational transportation.

Cambodia responded that personnel safety was the principal guiding policy and cited (1) the war situation, (2) terrorist attacks, (3) measures to protect personnel, and (4) discouraging use of privately owned vehicles where public parking is involved as justification for waiving vehicle charges. The response also noted that recreational facilities were nearly nonexistent and that frequenting of restaurants and other public places had been officially discouraged. It said that, if and when security improved in Phnom Penh, the waiver of charges would, of course, be subject to review.

JORDAN

The Mission in Amman reported that home-to-work transportation was not being provided to any AID employees, American or local. Recreational use was being charged for at the rate of 12 cents a mile as prescribed by the Uniform Regulations. The Mission stated its understanding that the 12 cents a mile rate for recreational use of vehicles was not variable because of local conditions or local cost studies.

- - - -

Based on the results of our review, as summarized in the table below, it appears that AID Missions are following traditional practices in providing and charging for vehicles.

Although the table shows that charges are imposed in certain instances, they have not changed subsequent to the Subcommittee report.

ENCLOSURE

<u>AID mission</u>	<u>Vehicles provided</u>			
	<u>Home-to-work transportation</u>	<u>Charge imposed</u>	<u>Off-duty and recreation</u>	<u>Charge imposed</u>
Vietnam	Yes	No	Yes	No
Thailand	Yes	Yes	^a Yes	Yes
Laos	Yes	No	Yes	Yes
Cambodia	Yes	No	Yes	No
Jordan	No	No	Yes	Yes

^aAuthorized nonofficial use, excluding recreational use.