DECISION

FILE: B-199656



DATE: July 15, 1981

THE COMPTROLLER GENERAL

OF THE UNITED STATES WASHINGTON, D.C. 20548

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MATTER OF: Gifts or Prizes Acquired in the Course of Official Travel Assignments

- DIGEST:1. It is a fundamental rule of law that a Federal employee is obligated to account for any gift, gratuity, or benefit received from private sources incident to the performance of official duty, and therefore an employee may not retain any "half-fare coupon," "bonus point," or similar item of value received from a commercial air carrier on the basis of the purchase of an airline ticket to be used for official travel.
 - 2. A Federal employee is entitled to keep prizes and gifts acquired from private sources through means that are unrelated to his official duties; hence, if an employee while traveling on official business happens to enter a contest sponsored by an air carrier which is open to the entire general public rather than to just ticket-holding passengers, then the transaction may properly be regarded as the employee's own personal affair, and in that particular situation he would not have a duty to account for any prizes won.

This, action is in response to correspondence received from the Deputy Director for Finance, Office of Operations and Finance, United States Department of Agriculture, requesting a decision:

"* * regarding the rights to items won from coupons or other material distributed by carriers to government employees in travel status when the receipt of the coupons or other material is not contingent upon the travel which is being performed."

We conclude that a Federal employee has a duty to account for any bonus or gift coupon received from an air carrier incident to the purchase of an airline ticket to be used for official travel. However, an employee may enter a

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contest sponsored by an air carrier which is open to the entire general public, rather than to just ticket-holding passengers, and retain any prize he may win in that particular situation.

In requesting a decision in this matter, the Deputy Director notes that Department of Treasury Bulletin 79-09, issued August 2, 1979, states in part: "Any and all material (coupons, cash, merchandise etc...) received by personnel while on official travel becomes the property of the United States Government." He states that at the time the Bulletin was issued, it was mainly directed toward the recovery of "half-fare coupons" and similar promotional materials which were being received by employees from commercial air carriers incident to the purchase and use of airline tickets for official travel. However, he indicates that since then air carriers have also sponsored a variety of other promotional campaigns open to the general public in which individuals may win prizes without having to purchase or use any passenger tickets. In those situations, contest entry blanks or coupons may routinely be distributed to airline passengers, but members of the general public may also obtain the same entry blanks or coupons at no expense by writing to the air carrier or by other means not contingent upon the performance of travel. The Deputy Director feels that a distinction should be made between the promotional materials distributed in those circumstances, and the "half-fare coupons" or similar items of value distributed only to ticket-holding passengers. He suggests that Treasury Bulletin 79-09 was intended just to cover the latter situation, and that employees should be allowed to keep promotional materials which are made freely available to the entire general public.

Reimbursement of the necessary travel expenses of a Federal employee on official business is a matter for payment from appropriated funds in accordance with the provisions of statutory law contained in chapter 57 of title 5, United States Code, and implementing regulations issued by the General Services Administration. Our Office has long held that a Federal employee may not also be reimbursed from private sources for expenses incident to the performance of official travel, and any such payments tendered to the employee are

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viewed as having been received on behalf of the Government. See, generally, 59 Comp. Gen. 95, 96-97 (1979); 46 <u>id</u>. 689 (1967); 41 <u>id</u>. 806 (1962); 36 <u>id</u>. 268 (1956). The purpose for this is to avoid any conflict of interest, since it is fundamental that an employee must account for any gratuity received from private sources incident to the performance of official duty, and also to prevent double reimbursement to the employee for the same travel. Compare <u>United States</u> v. Carter, 217 U.S. 286 (1910); 59 Comp. Gen. 203, 206 (1980).

Treasury Bulletin 79-09 was issued on August 2, 1979, and it is founded upon the basic rule described above requiring a Federal employee to account for any gift, gratuity, or benefit received from private sources incident to the performance of his official duties. The purpose of that bulletin was to establish specific procedures for the recovery of bonuses or gifts issued by air carriers in conjunction with the purchase of airline tickets used for official business.

However, a Federal employee is entitled to keep prizes and gifts acquired from private sources through means that are wholly unrelated to his official duties. Thus, for example, an employee may properly retain a bonus or gift coupon received from an air carrier in conjunction with his purchase of an airline ticket at personal expense for personal rather than official travel. As another example, an employee in the course of an official business trip may, as a purely personal matter, have the occasion to enter a contest or lottery open to the general public which is sponsored by a private concern or local government agency. In that case he may properly retain any prize he may win, provided that his receipt of the prize is not in any way related to his taking any official action for the benefit of the sponsoring activity.

It is, therefore, our view that the particular factual situation presented by the Deputy Director is one in which a Federal employee would generally be entitled to keep any prize he might win. That is, if an employee while traveling on official business enters a contest sponsored by an air carrier which is in fact open to the entire general public rather than just ticket-holding passengers, then the transaction may properly be regarded as the employee's own personal affair,

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and he would not have a duty to account for any prizes won. The concerned officials of the General Services Administration and the Treasury Department have informally advised us that they concur with this conclusion.

Of course, this conclusion does not alter the fundamental rule requiring a Federal employee to account for any benefit received from private sources as an incident to the performance of official duty. Hence, an employee remains obligated to account for any "half-fare coupon," "bonus point," or similar item of value he may receive from an air carrier which is only awarded incident to and on the basis of the purchase of an airline ticket used for official travel.

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Acting Comptroller General of the United States