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 By the **COMPTROLLER GENERAL OF THE UNITED STATES**
 by the **WASHINGTON, D.C. REGIONAL BRANCH, OAS**

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RELEASED

MAR 10 1970

Dear Mr. Murphy:

In accordance with the requests contained in your letters of November 20 and 26, 1969, and subsequent discussions with members of your staff, we have inquired into whether Federal funds may have been used to finance transportation costs or administrative leave of New York City area participants in the Vietnam moratorium activities held November 13 to 15, 1969, in Washington, D. C. Our inquiries revealed no evidence that the federally funded organizations in the New York City area which we contacted used Federal funds for such purposes.

We visited 54 bus companies, listed in the 1969 Manhattan classified telephone directory, which were available for charter and which serviced the five boroughs of New York City, the adjacent counties of Nassau and Westchester, and northern New Jersey. We also met with officials of certain of the city's antipoverty agencies--including the Human Resources Administration, the Community Development Agency, the Youth Services Agency, the Manpower and Career Development Agency, and University Settlement--and made limited examinations into their records.

From data made available to us by the bus companies, we determined that 30 of the companies chartered buses to Washington on the days that moratorium activities were held. Among the organizations hiring buses, we identified one agency, Action for Progress, which has been receiving Federal funds.

Action for Progress is located at 64 Rivington Street, New York, N. Y., and is acting as a store-front agency of University Settlement, an organization that has been granted \$71,000 in OEO funds through the Community Development Agency for the year ending September 30, 1970.

We visited Action for Progress and its parent agency, University Settlement, at 184 Eldridge Street, New York, N. Y. The comptroller of University Settlement stated that no Action for Progress funds had been used to charter buses to Washington, D. C., in connection with Moratorium Day. He stated also that all funds had been provided by the individuals who attended the march. The comptroller stated further that Human Resources Administration officers had emphasized that no public funds were to be used for moratorium activities. On January 13, 1970, we reviewed the checkbooks at University Settlement which controls the funds allocated to Action for Progress and found no evidence of payments to bus companies that might have been related to the moratorium.

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At the request of members of your staff, we inquired into the activities of the Cheetah Charter Bus Service Co., Inc., which is doing business as Cheetah Tours. Cheetah Tours is located at 40 West 135 Street, New York, N. Y., where it shares office space with the Cordix Travel Bureau. We visited the office and were informed that Cheetah Tours did not own nor operate buses and could not operate as a franchise bus company because it did not have an Interstate Commerce Commission charter.

We visited the New York office of the Commission and reviewed the Cheetah Tours charter application file. Cheetah Tours is applying for common-carrier status in 21 States under the name of Cheetah Charter Bus Service Co., Inc. The application, which is to be acted upon by the Commission's Board of Proceedings in Washington, D. C., was still pending at the time of our inquiry. Included in the Commission's New York file were 27 certificates of support from various churches, civic organizations, and others. The file contained no adverse information in regard to Cheetah Tours or any of its officers.

We also inquired into information that you furnished us which showed that an employee of the Youth Services Agency may have sponsored a trip by students at Seward Park High School to the moratorium in Washington, D. C. The commissioner of the Youth Services Agency affirmed the statements contained in her letter dated December 1, 1969, to you concerning this charge. She stated that the Youth Services Agency employee in question only allowed his office at the high school to be used as a drop point for an ad hoc committee of students and faculty members who were organizing a trip to Washington. She stated also that the trip was not school sponsored nor Youth Services Agency sponsored but that all funds were raised privately and no public funds were used.

The commissioner advised us that authority to charter any transportation facilities may be requested through and approved by the Youth Services Agency headquarters. We reviewed the transportation request log maintained by agency headquarters for the period October 7, 1969, through December 14, 1969, and found no requests for trips to Washington, D. C.

The administrative officer of the Manpower and Career Development Agency informed us that any expenditure in excess of \$25.00 incurred by any of its delegate agencies must be processed by the central fiscal office and be approved by the commissioner of the Manpower and Career Development Agency or one of his deputy or assistant commissioners. The administrative officer stated that to his knowledge no fund requests for bus trips had been received by the central fiscal office.

Concerning any possible granting of administrative leave to staff members, the administrator, Human Resources Administration, reiterating

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city policy set by Mayor Lindsay, notified all Human Resources Administration agencies that employees taking part in moratorium activities would have to charge annual leave, accumulated compensatory time, or leave without pay. Officials of the Human Resources Administration and the Manpower and Career Development Agency, who cooperated with us in the inquiry, expressed their opinions that abuse of the leave policy was doubtful. An official of the Human Resources Administration stated that an audit of the time records of each of the constituent agencies would be required to determine the extent of adherence to the policy, however, he said that he had checked with several agencies and had found that authorized leave during the period in question was not significantly higher than normal.

We plan to make no further distribution of this letter unless copies are specifically requested, and then we shall make distribution only after your agreement has been obtained or public announcement has been made by you concerning the contents of the letter.

We trust that this information will be of assistance to you.

Sincerely yours,


Acting Comptroller General
of the United States

The Honorable John M. Murphy
House of Representatives