United States General Accounting Office

GAO

Report to the Honorable
Jesse Helms, U.S. Senate

March 1987

TRAVEL PRACTICES

Private Funding of AID Employees' Travel

RELEASED

GAO/NSIAD-87-92

GAO

United States
General Accounting Office
Washington, D.C. 20548

National Security and
International Affairs Division

B-220542

March 12, 1987

The Honorable Jesse Helms
United States Senate

Dear Senator Helms:

On November 29, 1985, we provided you with a report on the use of airline bonus coupons and privately (nonfederally) funded travel by employees of the Agency for International Development (AID) (GAO/NSIAD-86-26). In your letter of January 21, 1986, you requested answers to additional questions about these travel practices at AID. On April 4, 1986, September 26, 1986, and February 9, 1987, we reported on the majority of your questions. This report responds to your questions concerning travel by AID employees paid for by nonfederal sources and whether we had considered Executive Order 11222 (defining standards of ethics for government employees) in assessing such travel. This report completes our response to your request. GAO will, however, keep your office informed of AID's actions to collect the value of airline bonus awards improperly used by Agency employees for personal travel.

On August 5, 1985, AID issued guidelines requiring employees to seek advance determinations from the Agency's Office of General Counsel that acceptance of payments from private organizations for travel would not create actual or apparent conflicts of interest. The guidelines essentially incorporate relevant provisions of Executive Order 11222 (May 8, 1965, as amended). They provide that AID employees who deal with organizations that have or seek Agency grants should not be allowed to accept travel payments from these organizations because of the appearance of a conflict of interest. We considered Executive Order 11222 and AID guidelines in reviewing travel by Agency employees and in assessing conflict-of-interest issues raised by the acceptance of travel payments from private organizations.

We identified 70 official trips by AID employees that had been fully or partially funded by nonfederal sources between August 6, 1985, and June 30, 1986. Fifty-one of these had been approved in advance by the AID General Counsel's Office as required by AID procedures; one additional trip had been approved retroactively. We found no evidence that AID travelers had requested or obtained legal approval for the remaining 18 trips. We noted, however, that 10 of these trips had taken place before November 30, 1985, and the employees may not yet have been

aware of the new requirement to obtain General Counsel approval for the travel.

We found no evidence of actual conflicts of interest or improper conduct on the part of AID employees who had accepted payment for official travel from private organizations, regardless of whether or not the trips had been approved by the General Counsel. However, in 3 of the 70 trips, acceptance of travel payments from private sources seemed contrary to AID guidelines and raised questions as to the appearance of conflicts of interest. Two of these trips had been approved by the General Counsel; there was no indication that the third trip had been submitted for review. For another approved trip, the General Counsel could have made a more informed decision if more complete information had been available.

With respect to your question about unofficial travel, AID policies prohibit employees from accepting payment for personal travel from private organizations that have or seek contracts or grants from the Agency. The AID General Counsel's Office told us that it is the employees' responsibility to refuse payments for unofficial travel from organizations doing business with AID.

Our work is summarized below. Additional details are presented in the appendix.

Authority for Privately Funded Travel

There are two circumstances under which payment from private sources may be accepted either by federal employees or government agencies for travel expenses incurred by employees in carrying out official duties: (1) an employee is authorized to accept payment of travel expenses from certain nonprofit, tax-exempt organizations and (2) certain government agencies, including AID, under their gift acceptance authority may receive payment from nonprofit or for-profit private sources for employees' travel expenses. Under the second authority, agencies may authorize employees to accept payment of travel expenses on the agencies' behalf.

Official Privately Funded Travel

From August 6, 1985, to June 30, 1986, 51 AID employees made 70 official trips that were fully or partially paid for by 48 nonfederal organizations. Twenty-four of these organizations had contracts or grants with AID before, at the time, or after the travel, and they paid for part or all

of 41 trips. Most of the organizations were educational or other non-profit institutions.

Twenty-two trips were paid for by international organizations, such as the World Bank, the Food and Agriculture Organization, and the World Health Organization. In one instance, the People's Republic of China provided lodging and meals for a trip to Beijing by an AID official for a briefing on China's United Nations Development Programme.

Fifty-one of the 70 privately funded trips, including the one to China, were cleared in advance by the AID General Counsel's Office as not involving conflicts of interest. Retroactive approval was provided for one trip. Two trips approved by the General Counsel were made by AID assistant administrators whose bureaus did business with the private organizations paying for some of the travel expenses. Both organizations had active grants with these AID bureaus when the trips were made. The two AID officials, directly or through representatives, had previously approved these grants. AID's August 1985 guidelines seem to prohibit acceptance of travel expenses in these circumstances because of the appearance of conflicts of interest. Subsequent to one of the trips, the assistant administrator recommended extension of an existing cooperative agreement with the private organization that had partially paid for the trip.

For one of these AID officials, another privately funded trip was approved by the General Counsel's Office at a time when the organization offering to pay for the travel was seeking a large contract with AID. At the time of legal review, this organization had no contracts or grants with AID, but shortly thereafter was awarded a $3.3 million contract to deliver fertilizer to Burma. The General Counsel's Office and the assistant administrator's bureau were not aware that the organization was interested in obtaining an AID contract when the trip was approved. The contract was awarded by the AID procurement office in Washington to meet a requirement generated by the Agency's mission in Burma. The legal staff could have made a more informed judgment about whether the Agency should accept the organization's offer to pay travel expenses for a senior AID official if the staff had known that the offeror was bidding on an Agency contract.

In discussing this matter with officials of the AID General Counsel's Office, we asked whether the assistant administrator's bureau, in coordination with the AID Office of Procurement, could have provided the legal staff with information on the pending award. These officials stated

that it would have been difficult for the bureau to obtain this information, because there is no central point within the Procurement Office that can provide data on all of the Agency's pending contracts. We then discussed this matter with an official of the Procurement Office who said that eight geographic and functional branches in his office would have to be contacted to ensure that complete information on pending contracts was obtained. Since Agency officials have indicated that obtaining information internally on pending contract awards would be a time consuming process, we believe that as an alternative AID could request the information directly from private organizations offering to pay employees' travel expenses.

We found no evidence—from travel authorizations or other available documents—that the AID General Counsel had been requested to approve 18 privately funded trips. Thirteen private organizations paid for these trips; six of them had contracts or grants with AID at the time of the travel. We reviewed Agency procurement records for these organizations and found that, with one exception, the AID travelers either were not working in the awarding bureaus or offices or did not appear to have responsibilities for making contract or grant awards. In the case that was an exception, the traveler was the project officer in the awarding office who signed off on requests to obtain services from the grantee. Acceptance of travel payments in these circumstances gives the appearance of a conflict of interest.

Conclusions

AID employees did not request approval from the Agency's General Counsel for one-fourth of the privately funded trips. We noted that many of these trips had taken place within the first few months after institution of the Agency's new guidelines for avoiding conflicts of interest, and the employees may not have been aware of these guidelines. Acceptance of travel payments from a private organization for one of these trips did raise conflict-of-interest issues.

We noted that two trips approved by the General Counsel appeared to be contrary to AID's guidelines and raised questions as to the appearance of conflict of interest. These cases show that, even when legal approval is obtained for privately funded travel, conflict-of-interest issues may arise when appropriate consideration is not given to the relationship between AID employees and organizations offering to pay travel expenses.

In line with Agency guidelines, the AID General Counsel's Office should not approve offers by private organizations to pay for travel by Agency employees if the organizations have or seek contracts or grants with AID and the employees have responsibilities for making award and other decisions about these contracts or grants. Acceptance of travel payments in these circumstances could result in an actual or apparent conflict of interest. The employees could be perceived as giving preferential treatment to these contractors or grantees, losing their independence or impartiality in making future contract and grant awards, or affecting the public's confidence in the integrity of the government. To avoid even the appearance of conflict of interest, AID should not authorize employees with responsibilities for making decisions about contracts and grants to accept travel payments from organizations that seek these awards.

We believe it would be advisable for the AID General Counsel's Office, in reviewing proposed travel to be funded by private organizations, to be made aware of pending, as well as active, contracts and grants with these organizations. Information on potential contract or grant awards to organizations offering to pay for travel by Agency employees would assist the legal staff in assessing whether acceptance of travel payments would raise conflict-of-interest issues. The bureau or office requesting approval for the travel should advise the General Counsel of whether organizations offering to pay travel expenses have or are seeking contracts or grants with the Agency.

We recognize that it would take time for the traveler's organizational unit to contact eight branches in the Office of Procurement to obtain information on pending awards. As a time-saving alternative, the traveler's unit may want to obtain information directly from the private organization offering to pay travel expenses on whether it has requested an invitation for bid or submitted a bid on a pending AID procurement.

Recommendations

We recommend that the AID Administrator

- remind Agency employees and legal staff to follow the August 5, 1985, guidelines for avoiding actual or apparent conflicts of interest arising from acceptance of offers to pay travel expenses by private organizations that have or seek contract and grant awards from AID; specifically, employees should obtain General Counsel approval before accepting such offers, and the General Counsel should disapprove these offers when employees have responsibilities involving these organizations; and

- instruct bureau and office supervisors to advise the legal staff if organizations offering to pay employees' travel expenses have or are seeking contracts or grants with the Agency. This information could be provided when approval for privately funded trips is requested.

Views of Agency Officials

We discussed a draft of this report with officials of the AID General Counsel's Office. These officials stated that the legal staff should not have approved the two trips by Agency assistant administrators whose bureaus had grants with the private organizations paying the travel expenses. One of the trips was approved because the assistant administrator's bureau incorrectly informed the General Counsel that the private organization had no AID grants.

A request for review should have been submitted to the General Counsel for the trip made by a project officer for whom expenses were paid by an AID grantee. If this request had been made, the legal staff would have disapproved acceptance of travel payments because of the project officer's relationship with the grantee. The General Counsel plans to modify AID guidelines for avoiding conflicts of interest to make clear that the prohibition against accepting travel payments from private organizations is not limited to officials who make decisions about the award of contracts and grants but applies to all employees who have any involvement with these organizations.

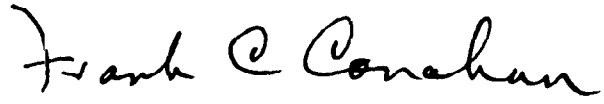
The General Counsel officials said they plan to recommend that AID reimburse the private organizations for the travel payments made to the assistant administrators and the project officer.

We made our review in accordance with generally accepted government auditing standards, from July to October 1986 at AID headquarters in Washington, D.C. As agreed with your office, we reviewed travel authorizations and other available Agency records on privately funded trips by AID employees from August 6, 1985, to June 30, 1986. We reviewed the statutory authority for accepting payment of travel expenses from private organizations (i.e., nonfederal sources) and guidance to employees for avoiding conflicts of interest in these situations. We reviewed procurement records for selected private organizations that had contracts or grants with AID and had paid for Agency travel.

We discussed the issues in this report with AID officials and considered their comments in preparing the report. We did not obtain formal agency comments.

As arranged with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until 30 days from the date of issue. At that time, we will send copies to the Chairmen, Senate Committee on Foreign Relations, House Committee on Foreign Affairs, Senate Committee on Governmental Affairs, House Committee on Government Operations, House and Senate Committees on Appropriations; the Director, Office of Management and Budget; the Administrator, AID; and other interested parties.

Sincerely yours,



Frank C. Conahan
Assistant Comptroller General

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Abbreviations

AID Agency for International Development

Private Funding of Travel by AID Employees

Authority for Privately Funded Travel

There are two circumstances under which payment from private (nonfederal) sources may be accepted by federal employees or government agencies for travel expenses incurred by federal employees in carrying out official duties: (1) an employee is authorized to accept payment of travel expenses from certain nonprofit, tax-exempt organizations and (2) certain government agencies, including the Agency for International Development (AID), under their gift acceptance authority, may receive payment from nonprofit or for-profit private sources for employees' travel expenses. Under the second authority, the agencies may authorize employees to accept payment of travel expenses on the agencies' behalf. In both circumstances, AID guidelines provide that a private organization's offer to pay travel expenses for an Agency employee should not be accepted if acceptance will result in or create the appearance of conflict of interest. For the most part, AID uses the gift acceptance authority; i.e., the Agency, not the employee, accepts the travel expenses.

The authority that allows an employee to accept payment of travel expenses from certain nonfederal sources is contained in 5 U.S.C. 4111:

"Payment of travel, subsistence and other expenses incident to attendance at meetings, may be made to and accepted by an employee, without regard to section 209 of title 18, if the...payments are made by an organization determined by the Secretary of the Treasury to be an organization described by section 501(c)(3) of title 26 which is exempt from taxation under section 501(a) of title 26."

In general, section 501(c)(3) is used to exempt foundations organized and operated for religious, scientific, charitable, and educational purposes.

The authority that allows AID to accept donations from nonfederal sources, such as payment of travel expenses, is provided in section 635(d) of the Foreign Assistance Act of 1961, as amended:

"The President may accept and use in furtherance of the purposes of this Act, money, funds, property and services of any kind made available by gift, devise, bequest, grant, or otherwise for such purposes "

Guidance to Employees for Avoiding Conflicts of Interest

Section 201(a) of Executive Order 11222 states that no federal employee shall accept, directly or indirectly, a gift, gratuity, favor, or any other thing of monetary value from any person, corporation, or group that has or is seeking to obtain contractual or other business or financial relationships with his or her agency. Under section 201(b), agencies may

authorize necessary and appropriate exceptions to section 201(a) in view of the nature of the agencies' work and the duties and responsibilities of their employees.

Section 201(c) of the Order provides that employees should avoid any action, whether or not specifically prohibited by section 201(a), that might result in or create the appearance of (1) using public office for private gain, (2) giving preferential treatment to any organization or person, (3) impeding government efficiency or economy, (4) losing independence or impartiality of action, (5) making a government decision outside official channels, or (6) adversely affecting the public's confidence in the integrity of the government.

On May 1, 1984, the Office of Government Ethics issued guidance to agency ethics officials, general counsels, and inspectors general dealing with the acceptance by executive branch employees of payment for travel expenses and related gifts from private sources. The guidance was issued because the Ethics Office had received numerous questions about this matter and training sessions had shown a strong need and desire for such information. The guidance summarized the legal authority for accepting payment for travel expenses and other gifts and suggested the following procedures as essential to protect the employee and the agency from improper acceptance of payment.

- All offers of payment of official travel expenses must be approved in writing prior to acceptance.
- If possible, all offers should be approved by the same office within an agency to provide consistent interpretation of applicable statutes and regulations; larger agencies that cannot centralize such approval should have a controlled delegation system.
- All agency personnel should be made aware that such offers must be approved by the appropriate office; this awareness is especially important for persons responsible for issuing travel orders.
- Travel orders should note specifically what expenses are being accepted by the traveling employee and under what authority: for instance, the travel orders might note that an airline ticket and hotel room are being provided to the employee by the host and accepted pursuant to the agency's gift acceptance authority and cite the appropriate statutory citation.
- The traveling official should never be placed in the position of approving the acceptance of his or her own travel expenses.
- If possible, a record of all travel expenses paid by private sources should be kept by the agency in a central file.

On August 5, 1985, the AID General Counsel issued specific guidance in the form of a general notice to help AID employees decide whether to accept offers from private sources to pay for transportation expenses and per diem for official travel. The guidance calls attention to the general rule that an employee may not personally accept payment for travel expenses from private sources in carrying out his or her official duties. The exceptions are cases in which (1) payment of travel expenses to attend meetings (covered under 5 U.S.C. 4111) comes from a donor that is a tax-exempt organization (covered under 26 U.S.C. 501(c)(3)) and (2) AID, under its gift acceptance authority, authorizes an employee to receive travel expenses on the Agency's behalf from tax-exempt or tax-paying organizations.

The guidance sets forth procedures to follow before offers to pay travel expenses are accepted. The employee must obtain prior written approval from bureau administrative officers, and the General Counsel must determine that acceptance does not create an actual or apparent conflict of interest. These procedures apply regardless of whether the employee is personally accepting the travel expenses or is accepting the travel expenses on the Agency's behalf.

The August 1985 guidance essentially incorporates provisions of sections 201(a) and 201(c) of Executive Order 11222. It provides that donations of travel expenses from persons or organizations generally should not be accepted if acceptance would (1) reflect unfavorably on the ability of the employee to carry out official duties in a fair and objective manner, (2) compromise the honesty and integrity of government programs or of employees and their official actions or decisions, (3) be incompatible with the code of ethics for government service, or (4) create the appearance that the gift was offered with the expectation of obtaining preferential treatment. If the organization offering to pay an employee's travel expenses seeks grants from or does business with AID, especially if the staff of the organization deals directly with the employee involved, such offered reimbursements, in most cases, should not be accepted. The guidance provides the following hypothetical example.

"An AID grant official is asked to speak at a University in his official capacity and the University offers to pay his travel expenses The University is a 501(c)(3) corporation but it has one grant and is seeking others from the Agency The employee should not be allowed to accept the travel expenses because of the appearance of a conflict of interest."

A similar example appears in the May 1984 guidance issued by the Office of Government Ethics.

With respect to travel on unofficial business, AID's August 1985 guidance provides, in part, that no employee may accept travel expenses from any organization that (1) has or is seeking contracts or other business relations with AID or (2) has interests that may be affected by the employee's performance of his or her official duty.

Official Privately Funded Travel

We identified 51 AID employees who made 70 official trips that were fully or partially paid for by 48 nonfederal organizations between August 6, 1985, and June 30, 1986. In general, for the fully paid trips, the private organizations covered the travelers' transportation costs and living expenses (lodging and meals); for the partially paid trips, the donors covered either transportation or living expenses, with AID paying the unreimbursed costs.

Forty AID employees each made one privately funded trip, six made two trips, four made three trips, and one made six trips. Forty-three privately funded trips were to domestic locations, and 27 trips were to overseas destinations. Most domestic trips lasted from 1 to 3 days, and most overseas trips from 3 to 12 days. The purpose of most of the trips was to address or participate in conferences on scientific, technical, and development issues, such as environment and natural resources, malaria control, world food supply, and renewable energy.

The 48 nonfederal organizations paying for AID travel included 23 colleges and universities; 13 other institutions, associations, and foundations; 9 international organizations; 2 commercial firms; and 1 foreign government. Twenty-four organizations had contracts or grants with the Agency before, at the time, or after the trips. These organizations paid for all or portions of 41 trips. Table I.1 lists the organizations that funded trips by AID employees, the number of trips, and whether the organizations had contracts or grants with AID.

Table: I.1: Official Privately Funded Trips by AID Employees, August 6, 1985 - June 30, 1986

Funding Organization	Number of of trips	Contracts/ grants[a]
Asia Society	1	Yes
Asian Development Bank	2	No
Association of Research Directors	1	No
Blue Ridge Electric Membership Corporation	1	No
Caribbean Federation of Universities	1	No
Consortium for International Development	1	Yes
Cornell University	1	Yes
Council on Foreign Relations	2	No
Duke University	2	Yes
Food and Agriculture Organization	3	Yes
Harvard University	1	Yes
International Inventors Association	1	No
International Labor Organization	1	No
International Minerals and Chemical Corporation	1	Yes
Johnson Foundation	2	No
Lutheran World Federation	1	No
Michigan State University	2	Yes
New Hampshire Council on World Affairs	1	No
North Carolina State University	1	Yes
Nova Scotia University Center for Energy Studies	1	No
Nutrition Foundation	1	Yes
Oregon State University	1	Yes
Organizers of the Bicentennial Forum	1	No
Pan American Health Organization	6	Yes
Pan American University	1	No
People's Republic of China	1	No
Population Institute	1	No
Princeton University	1	Yes
Rockefeller Foundation	1	No
Society of American Foresters	1	No
State University of New York	1	No
State University System of Florida	1	No
UCLA School of Public Health	1	No
United Nations Development Programme	1	Yes
University of Florida	1	Yes
University of Indiana	1	Yes
University of Minnesota	1	Yes
University of Missouri	1	Yes
University of Ohio	1	Yes
University of Pittsburgh	3	No

Funding Organization	Number of of trips	Contracts/ grants[a]
University of South Carolina	4	Yes
Virginia Polytechnic Institute	1	Yes
Washington State University	1	Yes
Winthrop College	1	No
World Bank	3	Yes
World Food Program	1	No
World Health Organization	4	Yes
World Meteorological Organization	1	No

[a]These contracts/grants were in effect before, during, or after the official privately funded trips.

Approved Trips

Of the 70 trips that were fully or partially funded by private sources, the AID General Counsel's Office determined in advance that 51 did not create conflicts of interest, as required by the August 5, 1985, guidance. One trip was cleared retroactively. Legal approval for these trips was confirmed by an attorney's signoff on the travel authorizations. We found no instances in which the General Counsel had disapproved trips that had been submitted for review. In two cases, we question whether the decision by the General Counsel complied with the August 1985 guidance; in a third, we believe a more informed decision could have been made if more complete information had been available. The other approved trips appear to have satisfied AID's guidance because either the private organizations did not have contracts or grants with AID or the travelers did not appear to have responsibilities for making contract or grant awards.

We noted that, in the case of two of the trips approved by the AID General Counsel's Office, the travelers were assistant administrators of AID bureaus that did business with the private organizations that partially funded the trips. Both organizations had active grants with these bureaus when the trips were made. The two AID officials, directly or through representatives, had previously approved these grants. Approval to accept travel payments for these trips does not seem to be in line with the example given in AID's August 1985 guidance for avoiding the appearance of conflicts of interest.

In one of these two cases, Oregon State University paid lodging costs for the Assistant Administrator, Bureau for Science and Technology, for a 2-day trip in February 1986 from Washington, D.C., to Corvallis, Oregon. At the time the trip was planned and approved, Oregon State also agreed to pay the cost of economy air fare. Upon completion of the

travel, AID was to bill the University for this cost, but an AID travel official could find no record of this having been done. The Assistant Administrator had made the trip to participate in panel discussions and give the luncheon address in observance of the University's International Agriculture Day. On April 3, 1986, 2 months after the trip, an AID official, on behalf of the Assistant Administrator, recommended to the AID Administrator that an existing cooperative agreement with Oregon State be extended for 4 years. Later in April, the Administrator approved the extension.

In the other case, the Asia Society, an AID grantee, paid for lodging and meals for the Assistant Administrator, Asia and Near East Bureau, during a 3-day trip in June 1986 from Washington, D.C., to Racine, Wisconsin. AID paid for transportation expenses. The purpose of the visit was to participate in a conference on Philippine/American relations hosted by the Society.

In a third case, the General Counsel's Office could have made a more informed decision if it had had knowledge of a pending Agency award to the organization offering to pay travel expenses. In a June 17, 1985, memorandum to the AID General Counsel, an Agency assistant general counsel stated that the Assistant Administrator, Bureau for Science and Technology, had asked whether it would be appropriate to accept travel and per diem expenses from the International Minerals and Chemical Corporation so that he could speak at the World Food Production Conference in Beijing, China. The memorandum mentioned AID's gift acceptance authority and pointed out that there was no statute or regulation prohibiting the Agency from accepting travel expenses in this situation. The memorandum noted, however, that the Office of Government Ethics had advised agencies to consider any inherent conflicts of interest in accepting travel expenses from private donors. The memorandum concluded: "Consequently, if this organization has an AID grant or contract from the S&T Bureau, or expects to receive any favor from the Agency, it would be inadvisable for the Agency to accept the travel and per diem."

At the time, the International Minerals and Chemical Corporation did not have any contracts or grants with AID's Science and Technology Bureau or with any other AID bureau or office. The General Counsel's Office approved acceptance of the travel expenses from International Minerals for the Assistant Administrator's trip to China. A travel authorization was prepared on August 13, 1985, and the trip was made from August 24 to September 7, 1985. The Assistant Administrator's air

fare, valued at $3,534, was paid by International Minerals; his living expenses in China were paid for by the sponsors of the World Food Production Conference.

Although International Minerals did not have any AID contracts or grants at the time of the assistant general counsel's memorandum, it had requested an invitation to bid on a fertilizer contract from AID's Office of Procurement on May 29, 1985. This was 19 days before AID's Office of General Counsel reviewed the advisability of accepting travel expenses from this corporation. On July 18, 1985, AID awarded the contract to International Minerals, the lowest responsive bidder. The contract, valued at $3.3 million, called for delivery of 15,000 metric tons of fertilizer to Rangoon, Burma.

The AID assistant general counsel said that she had not been aware that International Minerals and Chemical Corporation was bidding on a fertilizer contract with AID at the time acceptance of travel expenses from the Corporation was approved. The availability of this information would have enabled the Office of General Counsel to make a more informed judgment about whether the Agency should accept the organization's offer to pay travel expenses for an AID official.

We asked whether the assistant administrator's bureau, in coordination with AID's Procurement Office, could have provided the legal staff with information on the pending award. The General Counsel's Office stated that it would have been difficult to obtain this information because there is no central point within the Procurement Office that can provide it. We then discussed this matter with an official of the Procurement Office who said that it would be necessary to contact eight geographic and functional branches in his office to obtain complete information on pending AID contracts.

We recognize that it would take time for the traveler's organizational unit to contact eight branches in the Office of Procurement to obtain information on pending awards. As a time-saving alternative, the traveler's unit may want to obtain information directly from the private organization offering to pay travel expenses on whether it has requested an invitation for bid or submitted a bid on a pending AID procurement.

Unapproved Trips

We found no evidence—from travel authorizations or other available documents—that the AID General Counsel had been requested to approve 18 privately funded trips. Ten trips, however, took place before

November 30, 1985, and the employees may not yet have been aware of the new requirement to obtain legal approval for privately funded travel.

Thirteen private organizations paid for the 18 trips; 6 of the organizations had contracts or grants with AID at the time of the travel. We reviewed procurement records maintained by AID for these organizations and found that, with one exception, the AID travelers either were not working in the awarding bureaus or offices or did not appear to have responsibilities for making contract or grant awards. In one case, the traveler was the project officer in the awarding bureau (Science and Technology), and acceptance of travel payment did give the appearance of a conflict of interest. Before and after the trip, the project officer signed off on project implementation orders for technical services requesting that funds be made available to the grantee, the World Health Organization.

The World Health Organization paid all travel costs of the project officer's trip to Geneva, Switzerland, from September 29 to October 8, 1985. The purpose of the visit was to assist in developing operational research guidelines for controlling diarrheal diseases.

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