

The original documents are located in Box 66, folder “White House - Accounts (2)” of the Philip Buchen Files at the Gerald R. Ford Presidential Library.

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1:10 p.m.

Friday, March 21

Eva,

I had a call from a John Stevens in Boston who is the collecting agent for Avis Rent-a-Car re a bill owed to Avis by Eric Rosenberger of the Nessen staff. The bill is for \$222.37. Avis is supposedly bring a civil suit against Mr. Rosenberger.

I spoke with Mr. Rosenberger regarding the call. He indicated that he had spoken to Mr. Stevens and had advised him to send whatever to him with a copy to Mr. Buchen. He also indicated that the bill had been sent to the White House (disbursement I guess) and he thinks they may have paid the bill now (submitted his claim twice). He didn't seem too interested in really finding out whether the bill had been paid. He also gave Mr. Stevens his room # as being 750 - EOB. The telephone directory shows otherwise.

I called Jay and explained the matter to him. Jay said he would speak to Mr. Rosenberger.

I have not mentioned to Mr. B. and think we should wait if we tell him at all.

Shirley



THE WHITE HOUSE
WASHINGTON

June 3, 1975

MEMORANDUM FOR: Jerry Jones

FROM: Philip Buchen

P.W.B.

I believe that you will find the attached memorandum and opinion regarding GAO's lack of authority to audit certain White House Office accounts to be of particular interest.

My office is available for any continued assistance that you require on this matter.

Enclosures

cc: Bob Linder



THE WHITE HOUSE
WASHINGTON

June 3, 1975

MEMORANDUM FOR: PHIL BUCHEN

FROM: BARRY ROTH *BR*

Subject: OLG Opinion On the GAO Request
to Audit the Presidential Travel
Account

The attached opinion of the Office of Legal Counsel responds to a request from GAO to audit the Presidential Travel Account. Basically, OLC makes the following conclusions:

1. GAO lacks the authority to audit the pre-FY 1975 accounts for Presidential travel, official entertainment, newspapers, periodicals, and teletype news service.
2. Despite a contrary intent by Congress in eliminating the reference to a Presidential certificate in the White House Office appropriation, the appropriation only served to amend 3 U. S. C. 103 to expend \$100,000 for Presidential travel, accountable only on the President's certificate.
3. This change in the appropriation language does subject to GAO audit FY 1975 expenditures by the White House Office for official entertainment, newspapers, periodicals, teletype news service and the hire of passenger motor vehicles (unless paid for from the Presidential travel account).
4. The failure of the former President to account by certificate for such expenditures does not allow GAO to audit these accounts.



5. It is proper for a later President to certify expenditures under a former President.

On this last point, I recommend that we prepare a certificate for President Ford's signature only if this formality is insisted upon by GAO after discussions with their auditors and the Staff Secretary's office, in which Bob Linder has asked me to join him. In addition, Jerry Jones should give some consideration to the political reaction that may occur in the Congress as a result of this opinion. My initial reaction is that this will not have a great effect on whether the new White House authorization bill will provide for the continued use of certificate accounts. Congressional focus is more likely to be based on the simpler issue of accountability, wholly apart from what was allowed in the past.



JUN 3 1975

MEMORANDUM FOR HONORABLE PHILIP W. BUCHEN
Counsel to the President

Re: GAO audit of Presidential travel account

This is in response to your memorandum of May 2, 1975, requesting my views on the above subject.

Expenditures Prior to FY 1975

Prior to FY 1975 both 3 U.S.C. § 103 and the applicable appropriation acts provided that Presidential travel expenses were to be accounted for solely on the certificate of the President. This has been the consistent interpretation of those laws by this Office and the old Bureau of the Budget--presumably accepted by GAO itself--over the course of many administrations. The interpretation by GAO of the 1974 White House appropriation, Pub. L. No. 93-143, 87 Stat. 516 (1973), based merely on the grammatical structure of the sentence in the appropriations act containing the certification authority (and assuming the inapplicability of 3 U.S.C. § 103), concludes that only official entertainment expenses of the President may be accounted for by certificate. Memorandum from General Counsel, Paul G. Dembling to Director, FGMS, dated Mar. 27, 1975, at 2. This conclusion, however, ignores the legislative history of the provision, central to which is the fact that the President's authority to account for certain White House Office funds solely by certificate originated nearly 70 years ago specifically with regard to travel expenses and that the President's travel expenses have been accounted for solely by certificate ever since that time.

The first authorization and appropriation for Presidential travel expenses was made by the Act of June 23, 1906, c. 3523, 34 Stat. 454. That Act provided:

. . . That hereafter there may be expended for or on account of the traveling expenses of the President of the United States such sum as Congress may from time to time appropriate, not exceeding twenty-five thousand dollars per annum, such sum when appropriated to be expended in the discretion of the President and accounted for on his certificate solely.



There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the purposes authorized by this Act for the fiscal year nineteen hundred and seven, the sum of twenty-five thousand dollars.

(The first paragraph, or authorizing paragraph, virtually unchanged except as to amount, is now found as 3 U.S.C. § 103). Beginning the next fiscal year, the appropriation language took the form:

For traveling expenses of the President of the United States, to be expended in his discretion and accounted for on his certificate solely, twenty-five thousand dollars.
Act of March 4, 1907, c. 2918, 34 Stat. 1342.

This language in the annual appropriation acts remained exactly the same until 1922, when the words "and official entertainment" were inserted between "traveling" and "expenses". Act of June 12, 1922, c. 218, 42 Stat. 636. Both travel and entertainment expenses were now to be accounted for solely by certificate. This language was not changed until 1945, although the amount appropriated varied during the depression years. The change in 1945 eliminated the separate appropriation for Presidential travel and entertainment, instead including them as one category of expenses under the appropriation for the White House Office's salaries and expenses. The applicable portion of that appropriation now read:

* * *; and travel and official entertainment expenses of the President, to be accounted for on his certificate solely; Act of May 3, 1945, c. 106, 59 Stat. 106.

Clearly, travel was still to be accounted for solely by certificate. This language was unchanged until 1954 when it was changed only by the inclusion of three new items to be accounted for by certificate, reading:

* * *; newspapers, periodicals, teletype news service, and travel and official entertainment expenses of the President, to be accounted for on his certificate solely; Act of June 24, 1954, c. 359, 68 Stat. 273.



This remained the language in the annual appropriation acts until 1959, when a comma was added between "travel" and "and." Act of July 8, 1959, Pub. L. No. 86-79, 73 Stat. 162. Whatever the explanation for this punctuation change, it can hardly be thought to have overturned fifty years of practice with regard to the accounting for Presidential travel without some comment by Congress. Indeed, travel expenses continued to be accounted for solely on the President's certificate. In 1970 the parenthetical limitation on the amount to be expended on Presidential travel was added. Act of Sept. 26, 1970, Pub. L. No. 91-422, 84 Stat. 876. This was done merely to loosen the restriction of 3 U.S.C. § 103, which since 1946, Act of Aug. 2, 1946, c. 744, § 17(c), 60 Stat. 811, had limited the amount expendable on Presidential travel to \$40,000. See Hearings on Department of Treasury and Post Office and Executive Office Appropriations for 1971 Before the Subcomm. of the House Comm. on Appropriations, 91st Cong., 2d Sess., pt. 3, at 6 (1970). There is no indication that it was meant to change the accounting for those expenses. This language was continued through the Executive Office Appropriation Act of 1974, Pub. L. No. 93-143, 87 Stat. 516.

As can be seen from this historical summary, the category of expenses accountable solely on the President's certificate began with travel expenses and was enlarged to include the expenses of official entertainment, newspapers, periodicals, and teletype news service. There is not the slightest indication that the original practice of accounting for travel expenses by Presidential certificate was ever intended to be cut back--at least until the Executive Office Appropriation Act of 1975, Pub. L. No. 93-381, 88 Stat. 619 (hereinafter "the 1975 Act"). Finally, as discussed below, the language in the appropriation acts authorizing the accounting for Presidential travel by certificate was actually surplusage, since 3 U.S.C. § 103 explicitly provides for the President to account for his travel expenses solely by certificate.

For these reasons it cannot be seriously doubted that, at least until the 1975 Act, Presidential travel was accountable solely by the President's certificate and was not subject to GAO audit.

FY 1975 Expenditures

In the 1975 Act for the first time Congress did not include the statement that Presidential travel and entertainment expenses could be accounted for solely on the President's certificate. This was not an oversight, but rather the result of a deliberate attempt to subject the handling of these expenses to GAO audits.*/ It is my conclusion, however, that despite the intent of at least those Congressmen who produced and urged this provision to bring Presidential expenses within GAO review, the means chosen--deletion of the certification language which had existed in previous appropriation acts--was not equal to that purpose. That is, even without the certification language in the 1975 Act, the provision in 3 U.S.C. § 103 remains, and this provision authorizes the certification of all \$100,000 of the Presidential travel expenses paid for by the 1975 Act, not just the \$40,000 mentioned in 3 U.S.C. § 103.

One must agree with GAO that "appropriation acts may vary the terms of authorizing legislation to long as a successful point of order challenging such variance is not interposed. . . ." Memorandum of Paul G. Dembling, supra, at 3. Thus, viewing 3 U.S.C. § 103 as an authorization statute, as GAO apparently does, id. at 2, the language in the 1975 appropriation for Presidential travel, "not to exceed \$100,000," varies that phrase in

*/ The actual language in the White House Office appropriation provision of the Act was inserted on the floor of the House and Senate after the Conference Committee had met and reported the bill, H.R. 15544, 93d Cong., 2d Sess., because the Conference language had been keyed to a companion White House Office authorization bill, H.R. 14715 and S. 3647, which it was discovered would not pass. Senator Montoya, chairman of the Senate Appropriations Committee and the Senate manager in the Conference Committee, stated that the new language was "completely in line with the authorizing bill, and is only a technical expedient. . . ." 120 Cong. Rec. S 15022 (daily ed. Aug. 15, 1974). The "authorizing bill" would have, among other things, explicitly subjected travel expenses to GAO audit, amending 3 U.S.C. § 103. See 120 Cong. Rec. H 5657-58 (daily ed. June 25, 1974) (Eckhardt amendment to H.R. 14715) and 120 Cong. Rec. S 12965-66 (daily ed. July 18, 1974) (Hathaway amendment to S. 3647).



3 U.S.C. § 103 that says "not exceeding \$40,000 per annum." If the 1975 Act had gone on to say that the expenditure of these funds was to be subject to GAO audit, it would likewise have varied that clause in Section 103 which states: "such sum when appropriated to be . . . accounted for on [the President's] certificate solely." The 1975 Act, however, did not so provide; it made no mention of the means by which the expenditures were to be accounted for. Thus, inasmuch as the provision dealing with accounting in 3 U.S.C. § 103 was not varied, it was not affected and it remains.

The President's travel funds may be accounted for solely on his certificate up to the amount actually appropriated by Congress. The \$40,000 limitation in Section 103 applies to the amount Congress may appropriate (which limit was varied by the appropriation itself) and is not a separate limit on the amount the President may account for on his certificate. The "sum" which the President may account for on his certificate is "such sum as Congress may from time to time appropriate." Thus, even for FY 1975, Presidential travel funds may be accounted for on the President's certificate solely; this is not true of official entertainment expenses and the expenses of newspapers, periodicals, teletype news service, and the hire of passenger motor vehicles (unless paid for from the travel account), which no longer may be accounted for by certificate.

Handling of Certificates

Your final inquiry involves the handling of the certificates. Initially, I must disagree with GAO that the failure of the President to account by certificate for his travel expenditures would subject those expenditures to GAO audit. Section 103 of title 3 states that the sum appropriated is "to be . . . accounted for on [the President's] certificate solely." (Emphasis added). The 1974 appropriation act states similarly that the funds are "to be accounted for solely on his certificate." (Emphasis added). The obvious meaning of this language is that the certificate is the sole means by which these funds shall be accounted for. If the President fails to make such a certificate, he may be violating the statute, but the remedy lies in Congressional sanction. There is no basis for creating out of whole cloth a different remedy--a GAO audit power in flat contradiction to the statutory prescription that the President's certificate is the sole means of accounting.

As to the form of the certificate: The minimum legal requirement would seem to be simply a signed statement by the President as to the number of dollars expended from this appropriation and a declaration that they were spent solely for Presidential travel expenses as contemplated by the appropriation act. Clearly, a later President may certify as to expenditures under a former President.

Antonin Scalia
Assistant Attorney General
Office of Legal Counsel



THE WHITE HOUSE

WASHINGTON

June 3, 1975

MEMORANDUM FOR: PHIL BUCHEN

FROM: BARRY ROTH *BR*

Subject: OLC Opinion On the GAO Request to Audit the Presidential Travel Account

The attached opinion of the Office of Legal Counsel responds to a request from GAO to audit the Presidential Travel Account. Basically, OLC makes the following conclusions:

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Department of Justice
Washington, D.C. 20530

JUN 3 1975

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Counsel to the President

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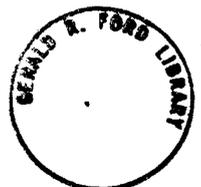


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Antonin Scalia
Assistant Attorney General
Office of Legal Counsel



Friday 6/6/75

October 1975

12:05 I called the Green Book and asked if we need to send our reservation for 1976 Green Books in now -- as requested.

She said she would mark that we want two -- and that there would be a reminder notice sent out in October when the books were ready.

At that time, we can submit our card to Mr. Linder's office and they can send in our order for two copies.

(Advised Katie in Linder's office -- and she said that was fine.)



W/H Accts
(see

Wednesday 6/11/75

W/H Curator)

11:55 Linder's office went to Barry to check the authority on payment for insurance on the Hirshhorn pictures.

See copy of Barry memo to Linder (attached).



THE WHITE HOUSE
WASHINGTON

6/10/75

Cvq -

FYI. Bob Linder asked me to check on why we were being billed for the first time in the history of the White House. I checked with Peter Powers, who indicated that all was an error.

BR



June 10, 1975

MEMORANDUM FOR:

BOB LINDER

FROM:

BARRY ROTH

I spoke with the General Counsel of the Smithsonian today regarding the attached bills for insurance of pictures from the Smithsonian on loan to the White House. After checking, he indicated that this bill had been an error and that it should be returned to:

Philip Babcock
Grants and Insurance Administration Division
Smithsonian Institution
Washington, D. C. 20560

While their general policy is to require the insurance premiums to be paid by non-governmental institutions, this is apparently not yet the case with governmental. The General Counsel will advise me if some future change in this policy is to occur.

If you have any further questions, don't hesitate to contact me.

Attachments

BL:BR:cp

cc: Philip W. Bucher



THE WHITE HOUSE
WASHINGTON

May 26, 1975

Buchen

Personal

(see W.W. Curator)

MEMORANDUM FOR: Jerry Jones
FROM: Phil Buchen *P.W.B.*
SUBJECT: Payment for insurance coverage
on the paintings loaned by the
Hirshhorn Museum

Attached is the invoice from the Smithsonian Institution for insurance and service fee through June 30, 1975, on Account Fund #011270, Certificate #1365, covering the loan of paintings from the Hirshhorn Museum. It would be appreciated if this could be paid from White House funds.

We have asked the Curator's Office to check on the amount of future insurance premiums and have been advised that the premium rate is 2¢ for each \$100 evaluation. The paintings are valued at \$104,000; therefore, they expect the next bill to be \$140, which would cover the first six months of the next fiscal year.



THE WHITE HOUSE

WASHINGTON

August 6, 1975

W/H Accts

MEMORANDUM FOR: JIM CONNOR
JERRY JONES

THROUGH: PHIL BUCHEN *P.W.B.*

FROM: BARRY ROTH *BR*

SUBJECT: White House Authorization Bill

As we discussed, the inclusion of language in the proposed White House Authorization Bill to provide for the acceptance of gifts and the use of voluntary services will eliminate our present problem of augmentation of appropriations. In your forthcoming discussions with the Senate staff regarding this bill, I believe that you will be able to get some feel for whether seeking this authority will provoke serious opposition. The following language would accomplish this purpose:

Notwithstanding any other provision of law, the President [and Vice President] may receive and use gifts of money or services donated by others, if such gifts or services are donated without restriction or condition other than that they be used in furtherance of the duties and functions of the White House Office [and the Office of the Vice President].

For your discussions, you may wish to consider the following points:

(1) This authority is not unusual and is necessary in order to permit the use of volunteers or reimbursement of the government for travel costs from speaking to private groups. Various agencies, including the Department of State and ARBA now have similar authority.

(2) This authority allows official activities to be undertaken without cost to the taxpayer.



(3) The White House is acutely concerned with any suggestions of a conflict of interest, and that problem will be carefully considered prior to the acceptance of any gifts. The adoption of this authority does not represent in any way a lessening of this concern.



THE WHITE HOUSE

WASHINGTON

September 3, 1975

MEMORANDUM FOR: JIM CONNOR

FROM: BARRY ROTH *BR*

Ray Zook advises that a chartered 727 to Denver for an overnight stay and return the next day to Washington would cost approximately \$27,000, on the basis of his average costs for the last ten rentals of such a plane. This figure is subject to a number of variables, that can only be determined at the precise point in time such a plane is needed, and which could change this figure. The 727 holds approximately 100 persons, making the approximate per passenger cost of such a trip \$270. It does not have the range to fly non-stop to California.

Bill Gulley advises that the same trip to Denver aboard Air Force One would cost \$15,500. This plane has a capacity of either 52 or 54 passengers, for an approximate per passenger cost of either \$298 or \$287.

Thus, our conclusion that the net per passenger costs of travel aboard the charter or Air Force One is roughly equivalent is accurate in this particular case.

cc: Phil Buchen ✓



THE WHITE HOUSE

WASHINGTON

September 22, 1975

MEMORANDUM FOR: JAMES E. CONNOR

THROUGH: PHIL BUCHEN *P.W.B.*

FROM: DUDLEY CHAPMAN *DC*

SUBJECT: Hartmann Trip Expenses

The answers to Bob Hartmann's questions are:

1. There should be a travel request filed before departure. An advance is possible but not necessary. Upon return, a voucher must be completed covering all expenses and attaching bills.

2. Mrs. Hartmann's expenses should not be paid for by the Government. (Note: Travel expenses for wives having no official position are sometimes possible on overseas trips at State Department expense. Domestically, when the spouse is not representing the government in any official capacity, it has not been the practice to reimburse the travel expenses.)



THE WHITE HOUSE

WASHINGTON

September 17, 1975

MEMORANDUM TO JAMES E. CONNOR

FROM: ROBERT T. HARTMANN

RTH

The President has expressed his desire that I attend the meeting of the Business-Government Relations Council at Hot Springs, Virginia, September 25-28, as a representative from the White House staff and as a spokesman for his policies. I have discussed this invitation with Phil Buchen who advises that it is proper to accept it providing my travel and expenses are paid by the government as official business on behalf of the President. I have two questions:

1. Should I simply submit hotel bills, etc. for my actual expenses when I return, or do I need to execute any paper work in advance?
2. As Mrs. Hartmann is included in the invitation and the members and other guests of the Council will be accompanied by their wives, are her expenses also reimbursable?

cc: Philip W. Buchen ✓



BUSINESS-GOVERNMENT RELATIONS COUNCIL

1200 RING BUILDING, WASHINGTON, D. C. 20036

PHONE: 296-7569

August 11, 1975

General Co.
WILLIAM K.

PLEASE REPLY TO: Emmett W. Hines, Jr.
Director, Government Relations
Armstrong Cork Company
1666 K Street, N.W.-Suite
Washington, D. C. 20006

Mr. Robert T. Hartmann
Counsellor to the President
The White House
Washington, D. C. 20500

Dear Bob,

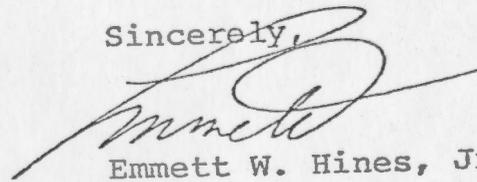
On behalf of the Board of Directors and members of the Business-Government Relations Council, I am inviting you and Mrs. Hartmann to be our guests at our annual meeting on September 25-28, 1975 at The Homestead in Hot Springs, Virginia.

Our members, many of whom you already know, would like to have an opportunity to get to know you better. Hopefully, you too will find it valuable to get better acquainted with our members, as well as with a very substantial number of chief executive officers from member companies who will be attending with their wives.

The theme of the meeting is The Future of the American Corporation. We have an outstanding group of speakers who will address themselves to various aspects of this subject. I think you will find our meeting interesting and very pertinent to your activities. I have enclosed our schedule of events which describes our speakers and their subjects. Wives and other guests are encouraged to participate in all parts of the program other than our Saturday morning members' breakfast.

I hope that you will be able to join us.

Sincerely,


Emmett W. Hines, Jr.



DIRECTORS

ROBERT M. CLARK, Vice President, The Atchison, Topeka & Santa Fe Railway Company • ALLAN D. CORS, Director of Government Affairs, Corning Glass Works • CARL J. FLEPS, Vice President-Government Relations, The Greyhound Corporation • D. GOODALL, Washington Corporate Representative, American Cyanamid Company • BRYCE N. HARLOW, Vice President, Government Relations, The Procter & Gamble Company • EMMETT W. HINES, JR., Director, Government Relations, Armstrong Cork Company • EDD H. HYDE, Vice President, Reynolds Metals Company • RADY A. JOHNSON, Manager, Washington Office, Oil Co. (Indiana) • FRANK P. JONES, JR., Vice President, Government Relations, Aluminum Company of America • ROBERT MERCER, Director, Washington Services, Kennecott Copper Corporation • WILLIAM C. MURPHY, Director, Government Relations, Eli Lilly and Company • CARSTENS SLACK, Vice President, Phillips Petroleum Company • JOHN TOPE, President, Republic Steel Corporation • WILLIAM E. WICKERT, JR., Manager, Bethlehem Steel Corporation • FRED P. ZOLL, President, Libbey-Owens-Ford Company

THE WHITE HOUSE
WASHINGTON

I called Dudley to see what the status of this was. He indicates he will get to it today. Please let me know when it comes in if I don't see it.

THE WHITE HOUSE

WASHINGTON

September 17, 1975

*Wudley has
a copy.
(handled?)*

MEMORANDUM TO JAMES E. CONNOR

FROM: ROBERT T. HARTMANN *RTH*

The President has expressed his desire that I attend the meeting of the Business-Government Relations Council at Hot Springs, Virginia, September 25-28, as a representative from the White House staff and as a spokesman for his policies. I have discussed this invitation with Phil Buchen who advises that it is proper to accept it providing my travel and expenses are paid by the government as official business on behalf of the President. I have two questions:

1. Should I simply submit hotel bills, etc. for my actual expenses when I return, or do I need to execute any paper work in advance?
2. As Mrs. Hartmann is included in the invitation and the members and other guests of the Council will be accompanied by their wives, are her expenses also reimbursable?

cc: Philip W. Buchen ✓



ALLAN D. CORS, Vice President
Director of Government Affairs
Corning Glass Works

EMMETT W. HINES, JR., President
Director, Government Relations
Armstrong Cork Company

DON ALLEN GOODALL, Secretary-Treasurer
Washington Corporate Representative
American Cyanamid Company

BUSINESS-GOVERNMENT RELATIONS COUNCIL

1200 RING BUILDING, WASHINGTON, D. C. 20036

PHONE: 296-7569

August 11, 1975

General Counsel
WILLIAM K. KING

PLEASE REPLY TO: Emmett W. Hines, Jr.
Director, Government Relations
Armstrong Cork Company
1666 K Street, N.W.-Suite 205
Washington, D. C. 20006

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Counsellor to the President
The White House
Washington, D. C. 20500

Dear Bob,

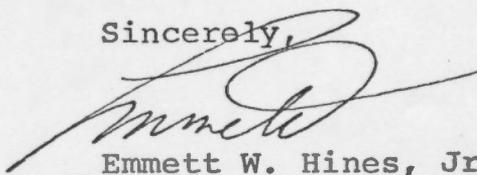
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The theme of the meeting is The Future of the American Corporation. We have an outstanding group of speakers who will address themselves to various aspects of this subject. I think you will find our meeting interesting and very pertinent to your activities. I have enclosed our schedule of events which describes our speakers and their subjects. Wives and other guests are encouraged to participate in all parts of the program other than our Saturday morning members' breakfast.

I hope that you will be able to join us.

Sincerely,



Emmett W. Hines, Jr.



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THE WHITE HOUSE
WASHINGTON

October 22, 1975

MEMORANDUM FOR: JIM CONNOR
FROM: PHIL BUCHEN *P.*
SUBJECT: Travel Expenses for Spouses
of Staff Members

Referencing your inquiry concerning the payment of Mrs. Goldwin's expenses, the appropriated funds available for staff travel should not be used for this purpose. GAO has ruled on several occasions that any indirect benefits which the Government may derive from the presence of the employee's wife cannot be used to justify an increase in the cost of travel to the Government (see e.g., B-116908, October 12, 1965, and B-147476, November 6, 1961).

I regret the confusion on this point. My office had addressed only the questions of attendance at the dinner and the acceptance of the expenses, and not the use of appropriated funds for travel by a spouse.





COMPTROLLER GENERAL OF THE UNITED STATES

838

WASHINGTON 25

E-147476

November 6, 1961

Dear Mr. Secretary:

In your letter of October 25, 1961, you propose that the current Government travel regulations and, if necessary the controlling statutory provisions be amended to permit, under appropriate circumstances, an official of the Government traveling on business of the United States to "apply the value of the lowest first-class fare authorized for himself to the purchase of two tourist or economy class fares for him and his wife." Your letter indicates that the proposal relates to travel between the United States and overseas areas and is premised upon your belief that the United States would be better represented to other peoples of the world if more wives traveled with their husbands. However, you recognize that your proposal would require changes in existing regulations and possibly in the statutes on which they are based.

Section 10 of the act of March 3, 1933, 47 Stat. 1516, amended by section 6 of the act of August 2, 1946, 60 Stat. 808, 5 U.S.C. 73b, provides that:

"Whenever by or under authority of law actual expenses for transportation may be allowed, such allowances shall not exceed the lowest first-class rate by the transportation facility uses in such transportation unless it is certified, in accordance with regulations prescribed by the President, that lowest first-class accommodations are not available or that use of a compartment or such other accommodations as may be authorized or approved by the head of the agency concerned or such subordinates as he may designate, is required for purposes of security."

The quoted section authorizes allowance to the traveler of the actual expenses of transportation incurred when he travels on official business to the extent that such actual expenses do not exceed the lowest first-class rate by the transportation facility utilized. The section precludes the allowance of any amount in excess of the actual expenses so incurred. We are aware of no statutory provision authorizing the allowance of the expenses of transportation of the dependents of an employee who may accompany him on temporary duty, unrelated to travel to a permanent post of assignment.



Also, under current Standardized Government Travel Regulations issued by the Bureau of the Budget (see especially subsection c. of section 3.6) an official traveler is expected to utilize "air coach," "tourist," etc., accommodations whenever such accommodations meet reasonable and adequate standards for convenience, safety, comfort, and meet his essential requirements for meeting appointments and connections with other scheduled transportation. Such regulation contemplates that first-class air accommodations will be used only when lower-class accommodations are not reasonably adequate from the standpoint of these factors. Concerning use of lower than first-class accommodations for train and steamer travel see sections 3.6a. and b. of those regulations.

Accordingly, we are of the opinion that legislation would be necessary to provide a legal basis for your proposal, and suggest that if you wish to pursue the matter further appropriate steps be taken to recommend legislation for consideration by the Congress.

Sincerely yours,

JOSEPH CAMPBELL

Comptroller General
of the United States

The Honorable
The Secretary of Labor

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

Copy sent to Barry.

October 20, 1975

MEMORANDUM FOR: PHIL BUCHEN
FROM: JIM CONNOR *JC*

As you will note from the attached, Dr. Goldwin has requested White House travel funds for both himself and his wife to attend the 10th anniversary dinner of The Public Interest. Although the memo indicates he consulted the Counsel's office and they advised "it is all right to attend the dinner...but not accept the reimbursement from the magazine for expenses being offered to all out-of-town guests" I am not clear whether you have advised that it is all right to pay Mrs. Goldwin's expenses. As you may know, it has never been our policy to pay expenses of wives on occasions like this.

Encl.



THE WHITE HOUSE
WASHINGTON

October 17, 1975

MEMORANDUM TO: JAMES CONNOR
FROM: ROBERT GOLDWIN

RWJ

I would like to request White House travel funds for both myself and Mrs. Goldwin to attend the 10th anniversary dinner of The Public Interest. The Counsel's office has advised me that it is all right to attend the dinner, but advised that I not accept the reimbursement from the magazine for expenses being offered to all out-of-town guests.

Because of the character of this dinner, the attendance of the wife is considered essential. We expect to meet a number of people who are useful in my work, including participants in past seminars as well as possible participants for the future. Since I would be able to see them at this dinner, it is quite possible that this one trip would save several future trips to prepare seminars.



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

OCT 12 1965

B-116908

Mr. T. C. Crabe
Authorized Certifying Officer
National Aeronautics and Space Administration

Dear Mr. Crabe:

On September 17, 1965, your reference BFA-2, you requested our decision whether you may properly certify for payment the enclosed voucher to reimburse Mr. John S. Brown, an employee of the National Aeronautics and Space Administration, the travel expenses he incurred incident to his travel to various places in the Pacific and Far East during November and December 1964.

Mr. Brown performed the travel in question for the purpose of accompanying members of the Committee on Science and Astronautics of the House of Representatives on an official tour and inspection of National Aeronautics and Space Administration and Air Force tracking stations in the Pacific area. Travel was performed by Government-owned aircraft and Mr. Brown's wife as well as the wives of other members of the group traveled with the tour and inspection team.

In view of the circumstances of the travel Mr. Brown was authorized subsistence at not to exceed \$30 per day in lieu of per diem as authorized by the second proviso of section 3 of the Travel Expense Act of 1949, approved June 9, 1949, ch. 185, 63 Stat. 166, as amended, 5 U.S.C. 836, which is as follows:

"* * * And provided further, That where due to the unusual circumstances of a travel assignment the maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 840 of this title, prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed, for each day in travel status, (1) the amount of \$30, within the limits of the continental United States, or (2) the sum of the maximum per diem allowance plus \$10, for travel outside such limits."



You ask the following question with regard to the amount of reimbursement Mr. Brown may be allowed for the lodging expenses he incurred:

"1. If a civilian officer or employee traveling on official business, under orders authorizing reimbursement of subsistence expenses on an actual expense basis under section 3 of the Travel Expense Act of 1949, 63 Stat. 166, as amended, 5 U.S.C. 836, shares a hotel room, motel room or other lodging accommodations with one or more members of his family, is the Government liable for:

"(a) That portion of the cost equal to the cost established for the hotel room, motel room, or other lodging accommodations for single occupancy of the space? or

"(b) The quotient of the cost resulting from multiple occupancy divided by the number of occupants?"

Travel costs chargeable to the Government may not be increased by reason of the fact that an employee's wife accompanies him on official travel for personal reasons. Any indirect benefits which the Government may derive from the presence of the employee's wife cannot be used to justify an increase in the cost of travel to the Government. B-147476, November 6, 1961. On the other hand, the saving realized by an employee who is accompanied by his wife as a result of the fact that the established rates for the travel or accommodation of two persons are not equal to twice the rate applicable to travel or accommodation of one person need not be prorated between the Government and the employee. See 33 Comp. Gen. 434.

Therefore, if it is determined that Mr. Brown would have used the same accommodation at the single occupant rate and not some less expensive accommodation had his wife not accompanied him, he may be reimbursed on the basis of such single occupancy rate rather than at one-half of the double occupancy rate.

We note that the voucher submitted does not include the conversion rates of the various foreign currencies in which the accompanying receipts are stated as required by section 12.8 of the Standardized Government Travel Regulations. Furthermore, the voucher does not clearly identify daily expenditures for lodging and meals--especially the \$73.05 claimed for meals and refreshments aboard the Government-furnished aircraft--as required by section 6.12 f of those regulations. As a result the

B-116908

information furnished with the voucher is not sufficient to allow computation of Mr. Brown's daily subsistence expenses so that such expenses may be compared to the daily maximum allowable in the locality of travel. Upon furnishing of the information required by the Standardized Government Travel regulations, the voucher, which is returned herewith, may be certified for payment in accordance with the above if otherwise correct.

Sincerely yours,

FRANK H. WEITZEL
Acting Comptroller General
of the United States

Enclosure

THE WHITE HOUSE
WASHINGTON
November 28, 1975

MEMORANDUM FOR: SHEILA WEIDENFELD
THROUGH: PHIL BUCHEN *P.W.B.*
FROM: BARRY ROTH *BR*
SUBJECT: Press Travel Account
for the First Lady

In accordance with our conversation, attached is a draft memorandum from you to representatives of the media who wish to travel with the First Lady. The memo requires each such traveler to pay a small deposit in advance of the trip in order to eliminate the need of members of your staff to use their personal funds for this purpose.

I suggest you entitle this account the "Press Travel Account," and that you authorize one member of your staff to sign the checks. As we discussed, the account will be initially capitalized in the amount of \$10 from your personal funds, and which you intend to recoup as part of the operating costs of the first trip following establishment of the account.

In handling this account, the following guidelines should be observed at all times:

1. All expenditures must be supported by appropriate documentation.
2. With the exception of the \$10 referenced above, no funds are to be deposited in this account except from the news media traveling with the First Lady.



3. No funds from any political committee are to be deposited in this account, nor any expenditures made to any political committee. If you feel that you are required to make a payment to such a committee for services they may have rendered on behalf of the media, please contact this office at once to discuss the particular circumstances of such cases.

4. No expenditures are to be made except in connection with travel by the news media. No funds may be loaned to representatives of the media or the White House staff for their personal purposes.

5. The financial records from this account will be available for inspection by representatives of the media, or appropriate Federal agency, e.g., The Federal Election Commission. Should such a request be made, please contact this office to coordinate your response.

If you have any additional questions, please contact me.



DRAFT -- November 28, 1975

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR: [MEMBERS OF THE FIRST
LADY'S PRESS CORPS]

FROM: SHEILA WEIDENFELD

SUBJECT: Travel with the First Lady

In order to make arrangements in advance for various services required by the media accompanying the First Lady while on travel, e.g., busses, press suites, office equipment, etc., it is frequently necessary that payments be made in advance for at least some of these items. Until now, such advance payments have been made from the personal funds of members of my staff, pending reimbursement from the media. For reasons I am sure you will understand, this practice has proven to be unsatisfactory.

Accordingly, we have established a Press Travel Account which will be used to collect funds received from the media for its pro rata share of the expenses of travel with the First Lady. In order to make payments from this account before reimbursement in full is received from you, it is necessary that each representative of the media wishing to travel with the First Lady make a [\$25.00] deposit check, payable to the "Press Travel Account", at least [three] days prior to each trip. This amount will be credited against the total amount due for each trip.

This account is used only for the various expenses incurred on behalf of the media in connection with such travel, and its records will be available by appointment for your inspection should you so desire. I trust you will appreciate the need for this new procedure and I will be pleased to respond to any questions you may have in this regard.

Thank you for your cooperation.



THE WHITE HOUSE

WASHINGTON

July 27, 1976

Dear Mr. Staats:

Thank you for the opportunity to comment on the draft report of the audit of the White House Office for the period July 1, 1969, through August 9, 1974, the closing date of the previous administration. The audit was directed at evaluating the system of controls over receipts and disbursements for the operation of the Office.

As noted in your report, the accounting system for the White House Office was approved by the Comptroller General in 1969. We agree with your assessment that most of the deficiencies discussed in the report would not have occurred if the approved procedures had been followed. The audit points to the need for improvements in documenting procurement actions, in property accounting and physical inventory procedures, in the system of controls over receipts and disbursements, and in reporting reimbursements. The report lists examples to support these findings and makes specific recommendations to improve operations. It also recommends that an internal audit staff be established to insure effective control over and accountability for all funds, property and other assets.

As the report states, a number of corrective actions have already been taken. These include:

- Procurement documents are being filed together and uniform procedures established to show authorization for purchase and receipt of goods.
- Physical inventories are being conducted on a regular basis and property records are being up-dated to reflect the results of these inventories. Improved procedures are being implemented for property accountability.
- Reimbursements are now being reported to the Office of Management and Budget as required.

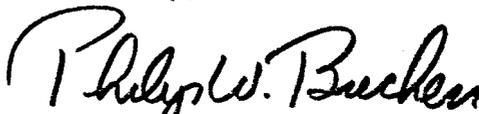


In addition, the following actions are being taken to improve operations:

- Payroll procedures are being changed to establish uniform practices for personnel keeping leave, time and attendance reports and retirement records.
- Automatic data processing systems are being studied with a view toward improving the accounting system and internal controls.
- The feasibility of establishing an internal audit staff will be studied further and pursued with other agencies in the Executive Office of the President.

We appreciate the constructive nature of this audit and trust that our planned improvements will remedy the deficiencies.

Sincerely,



Philip W. Buchen
Counsel to the President

The Honorable Elmer B. Staats
Comptroller General of the United States
Washington, D. C. 20548

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

July 26, 1976

MEMORANDUM FOR: PHIL BUCHEN
THROUGH: JIM CONNOR
FROM: BOB LINDER *Linder*
SUBJECT: Proposed response to GAO audit

On January 2, 1975 you requested GAO to conduct an audit of the White House accounts (Tab A). The audit has now been completed and a draft report has been sent to you for review and comment (Tab B). A proposed response for your consideration is at Tab C.

The audit covers the approximate time of the last administration, from July 1, 1969 to August 9, 1974. Although a number of improper or unsupported transactions were found, no formal exceptions are being taken by GAO.

One item of particular interest in the report is the transfer of nearly \$34,000 from the CIA to the WHO in fiscal year 1971 as reimbursement for printing and mailing responses to Presidential correspondence on the Cambodian invasion. The reimbursement was termed "improper" by the President's Commission on CIA Activities in the United States (Rockefeller report) and GAO has taken a similar position.

The recommendations for improving the systems of control over operations are reasonable and we have, in fact, been taking actions to comply with them.

Your reply will be printed in the final report and copies of the report will be sent to the Chairmen of the House and Senate Committees on Government Operations and Appropriations and the Director of the Office of Management and Budget.

I will be happy to discuss the specific recommendations and findings with you at your convenience.

RECOMMENDATION:

That you sign the proposed reply at Tab C.

cc: Dick Cheney



UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

DIVISION OF FINANCIAL AND
GENERAL MANAGEMENT STUDIES

B-133209

JUL 1 1976

Mr. Philip W. Buchen
Counsel to the President
The White House

Dear Mr. Buchen:

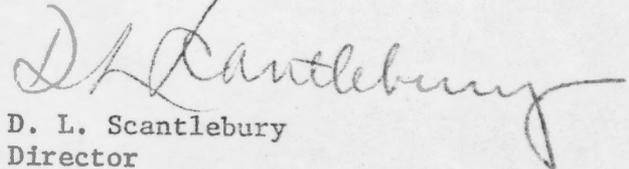
Enclosed are two copies of a draft of our proposed report. The draft report is furnished for review and comments before it is issued in final form.

Our general practice is to furnish copies of proposed reports to the agency for comments and to consider such comments before the report is issued in final form. It is also our general practice to include a copy of the written comments in our report when issued. We would appreciate receiving your comments within 30 days.

Your attention is directed to the limitations on the use of this draft as indicated on the report cover. We request that safeguards be imposed to prevent the premature or unauthorized use of this report.

The findings included in this report were discussed with officials of the White House. We will be glad to further discuss this draft report with you. Any inquiries concerning it should be directed to Mr. John J. Cronin, Jr., Assistant Director (634-5217).

Sincerely yours,


D. L. Scantlebury
Director

Enclosures
(Draft Report--FGMSD-76-34)



THE WHITE HOUSE

WASHINGTON

January 2, 1975

Dear Mr. Staats:

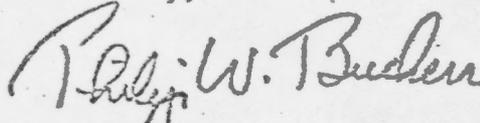
This letter is to request an audit of the White House accounts by the General Accounting Office. I respectfully request that such an audit be made to settle the accounts of the accountable officers and suggest that the period of the review be from the time of the last settlement audit of June 30, 1969 through August 9, 1974.

I believe it is appropriate to conduct such a review during this transition period and the closing date mentioned above would complete the audit of accounts through the end of the previous administration.

The General Accounting Office is presently conducting a comprehensive audit of White House expenses incurred to date in connection with the transition. When the transition audit is complete, we will be able to furnish whatever assistance you may require for the settlement audit. If this timing is suitable to you, arrangements to begin may be made with Mr. Robert D. Linder of the White House staff.

Thank you for your consideration of this matter.

Sincerely,



Philip W. Buchen
Counsel to the President

The Honorable Elmer B. Staats
Comptroller General of the United States
Washington, D. C. 20548

THE WHITE HOUSE

WASHINGTON

January 2, 1975

Dear Mr. Staats:

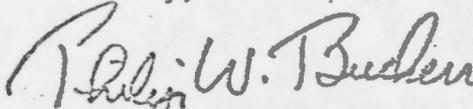
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Sincerely,



Philip W. Buchen
Counsel to the President

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Comptroller General of the United States
Washington, D. C. 20548