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B-241269, Feb 28, 1991

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APPROPRIATIONS/FINANCIAL MANAGEMENT - Budget Process - Funds - Deposit - Miscellaneous revenues DIGEST: Fees received from federal agency participants in Financial Management Service seminars may be credited to Services' appropriation under the Training Act. Private sector participants may be admitted on a space available basis and fees received must be deposited into miscellaneous receipts. Under 42 U.S.C. Sec. 4742 federal agencies have specific authority to train state and local employees and payments received are to be credited to the appropriation used to fund the training.

Walter L. Jordan, Director:

This is in response to your letter of September 20, 1990, in which you asked for our opinion regarding the proper disposition of funds collected in connection with Financial Management Service (FMS) seminars. According to your letter, FMS, as part of its mission, is currently offering financial management seminars to federal program managers from other agencies and to other non-federal participants. The seminars are labor- intensive and the labor is provided by FMS employees who are paid directly out of FMS appropriations. A fee is charged for the seminars. You stated that 98 percent of the fee is attributable to the personnel costs. Although these fees are currently being deposited into the Treasury as miscellaneous receipts, you believe that the fees may properly be credited to FMS' appropriation under authority of the Economy Act.

As you have recognized, under 31 U.S.C. Sec. 3302, any money received from outside an agency of the government for the use of the government must be deposited into the Treasury as miscellaneous receipts. Comp.Gen. 353, 355 (1988). An agency retaining and crediting to its own appropriation moneys which should have been deposited into the General Fund as miscellaneous receipts, has improperly augmented its appropriations. 62 Comp.Gen. 678, 679 (1983).

One statutory exception to the miscellaneous receipts deposit requirement is the Economy Act, 31 U.S.C. Secs. 1535, 1536, which authorizes the inter -and-intra-departmental furnishing of goods or services on a reimbursable basis and the crediting of such reimbursements to the appropriation charged for the performance. 57 Comp.Gen. 674 (1978).

The general provisions of the Economy Act, however, do not apply to the present case because the Government Employees Training Act provides independent and specific authority for agencies to provide interagency training on a reimbursable or non-reimbursable basis. 5 U.S.C. Sec. 4104; B-193293, Nov. 13, 1978. /1/ The Office of Personnel Management guidelines state: "Any agency which

operates an interagency training facility may accept funds from other agencies for part or all of the costs of training their employees through reimbursements or other cost sharing arrangements." Federal Personnel Manual (FPM), Chap. 410 Subch. 4-3 (Oct. 22, 1981). However, an agency may not obtain reimbursement for training if funds are already provided for interagency training in its appropriation. /2/

For non-government employees, we have held it proper to accept a limited number of private persons on a fee basis at courses of training after adequate provisions have been made for all government trainees. Comp.Gen. 673, 674 (1963); see also 65 Comp.Gen. 666, 674 (1986). We also advised that fees collected from all non-government trainees should be deposited as miscellaneous receipts. 42 Comp.Gen. at 674.

In addition, 42 U.S.C. Sec. 4742 provides authority to train state and local employees who enroll in an agency's training programs and accept payments from the state for the training. Federal agencies may waive all or part of such payments. 42 U.S.C. Sec. 4742(b).

In your case, we understand that those who attend the financial management seminars are predominantly federal employees whose fees are paid by their respective agencies. Accordingly, such fees may be retained and credited to FMS' appropriation. However, fees collected from private participants must be deposited into the Treasury as miscellaneous receipts, in the absence of statutory authority to the contrary. Payments received from state and local governments by an agency for training should be credited to the appropriation fund used for providing the training. U.S.C. Sec. 4742(c).

I trust the foregoing answers your question and is helpful to you.

/1/ According to OPM regulations, training may be provided to federal employees of other agencies as long as such actions result in better training, improved service or savings to the government. 5 C.F.R. Sec. 410.401 (1990). Training is defined as: "The process of providing for ... an employee ... a planned, prepared, and coordinated program, course, curriculum, subject, system, or routine of instruction or education, in ... technical, ... fiscal, administrative, or other fields which are or will be directly related to the performance by the employee of official duties for the Government, in order to increase the knowledge, proficiency, ability, skill, and qualifications of the employee in the performance of official duties." 5 U.S.C. Sec. 4101(4).

/2/ Specific funds for the activities mentioned here are apparently not part of FMS' annual budget request, nor were any appropriated.