



## Decision

**Matter of:** Proper Appropriation to Charge for Expenses  
Relating to Nonseverable Training Course

**File:** B-238940

**Date:** February 25, 1991

### DIGEST

The Department of Agriculture, Food and Nutrition Service, may properly charge fiscal year 1989 appropriations for the cost of a training course scheduled to begin the first day of fiscal year 1990 since the course was intended to meet a bona fide need of fiscal year 1989, scheduling of the course was beyond the agency's control, and the time between procurement and performance was not excessive.

### DECISION

A Department of Agriculture, Food and Nutrition Service (FNS), certifying officer requests our opinion regarding the proper appropriation to charge for expenses relating to an Office of Personnel Management, Federal Executive Institute (Institute) training course. For the following reasons, we conclude FNS may properly charge the cost of the course to fiscal year 1989.

### BACKGROUND

At the beginning of fiscal year 1989, the Food and Nutrition Service identified executive and management development as an agency need for the year. In June, the Institute announced that its 4-week "Leadership for Democratic Society" course was scheduled to begin on October 1, 1989, the first day of fiscal year 1990. The Acting Administrator at FNS determined that the course would meet the agency's fiscal year 1989 executive and management development needs. Therefore, in August 1989 FNS reserved a space in the course. The Institute advised FNS that it would bill the agency in advance of the course and that there was a no cancellation and no refund policy.

FNS advertised the training opportunity throughout the agency and accepted nominations through early September 1989. On September 19, 1989, FNS sent the Institute a copy of the selected employee's SF-182, "Request, Authorization, Agreement

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and Certification of Training," and obligated fiscal year 1989 funds for the cost of the course.

#### DISCUSSION

An agency may only obligate a fiscal year appropriation to meet a legitimate, or bona fide, need arising in the fiscal year for which the appropriation was made. 64 Comp. Gen. 359, 362 (1985). Consistent with this rule, we have held that delivery of goods or performance of services in a fiscal year subsequent to the year in which a contract is executed does not necessarily preclude charging of earlier fiscal year appropriations with the full cost of the goods or services. 65 Comp. Gen. 741, 743 (1986). The test is whether the goods or services are intended to meet an immediate need of the agency, regardless of when the work is actually completed. On the other hand, continuing and recurring services, to the extent a need for a specific portion of them arises in a subsequent fiscal year would be considered "severable" and chargeable to appropriations available in the subsequent year pursuant to a contractual commitment made that year. 65 Comp. Gen. at 743. Thus, we have held that management services (60 Comp. Gen. 219 (1981)), trucking services (33 Comp. Gen. 90 (1953)), and clerical services, (B-224707, Aug. 5, 1987), are severable and must be charged to subsequent year appropriations.

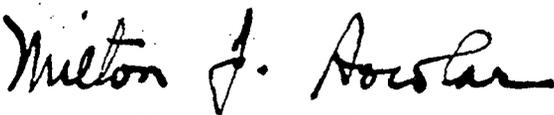
Training tends to be nonseverable. Thus, we have held that where a training obligation is incurred and performance begins in one fiscal year, the entire cost is chargeable to that year, regardless of the fact that performance may extend into the following year. See B-233243, Aug. 3, 1989. Here, however, performance could not possibly have begun in the fiscal year that the need arose. The Institute had already scheduled the course to begin on the first day of the following fiscal year.

This situation is analogous to when an agency procures goods in the fiscal year in which the need arises but cannot obtain delivery until the next fiscal year. Delivery of the goods in the subsequent fiscal year does not violate the bona fide needs rule if the time between contracting and delivery is not excessive and the procurement is not for standard commercial items readily available from other sources. See 60 Comp. Gen. 452, 455 (1981). Under such circumstances, an agency may charge the full cost of the contract to the first fiscal year.

Here, FNS officials issued a "Request, Authorization, Agreement and Certificate of Training," for the course approximately 2 weeks before the course was scheduled to begin. As such, the time between procurement and performance was not excessive. Further, the course was not available

until the first day of fiscal year 1990. We do not question the agency's determination that the particular training course "Leadership for Democratic Society" would best meet the agency's executive and management development needs. As such, we conclude FNS may properly charge the cost of the course to fiscal year 1989.

Officials at FNS also ask whether an agency may use one fiscal year's funds to make a discounted tuition payment where the payment is due before the end of the fiscal year for a course scheduled to start the next fiscal year. In this situation, the agency may make such a payment if, as indicated above, payment is otherwise properly chargeable to the fiscal year in which the discounted payment is due and the time between payment and receipt of the training is not excessive.

*for*   
Comptroller General  
of the United States

APPROPRIATIONS/FINANCIAL MANAGEMENT

Appropriation Availability

Time availability

Time restrictions

Fiscal-year appropriation

Training