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29 APR 1960

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MEMORANDUM FOR: Acting Chief, Finance Division  
SUBJECT : Distribution of Documents in Support  
of Project Expenditures

1. Several meetings have been held with officials of the Finance Division and members of this Staff relating to subject. The principal source of concern appeared to be the failure to receive proper advice of project approvals, revisions, and renewals by the Operations and Liaison Branch.
2. This Staff undertook a review of Project Approval Procedure in the DD/P, where most projects originate and fall within 3 groups, viz., PP, PM, and FI.
3. The Comptroller is advised of all projects transmitted through the Project Review Committee for approval, being furnished with the original and 3 copies of each approval action. At present a copy of each action is forwarded to the Finance Division. However, beginning 1 July 1960, the original Project Approval Action will be furnished to the Finance Division.
4. When area divisions submit project plans to the PP and FI Staffs for approval, Form 756 "Project Financial Data" accompanies the plan. This Form sets forth four

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payments. Upon approval of the project, a copy of Form 756 is sent informally to the O&L Branch from the PP Staff for information purposes. About the same time or shortly thereafter, one copy of Form 849, "Notification of Project Approval," is forwarded officially to the Office of the Comptroller by the PP Staff. This copy is routed to the Analysis Branch, Budget Division. A copy of Form 849 is also forwarded for each renewal or revision of a project. The Budget Division advises that a copy of Form 849 can be reproduced for their purposes and the Form received from the

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PP Staff thereupon forwarded to Finance Division. The possibility of obtaining an additional Form 849 from PP Staff for submission to the Finance Division was suggested, and although the suggestion fell on unreceptive ears, this Staff has since been advised that the Finance Division will shortly receive the original signed Form 849 for each PP and FI project and a copy will continue to go forward to the Budget Division as heretofore.

5. Form 680, "Operational Authorization" is prepared by IO Division for each project upon approval. One copy is officially forwarded to Finance Division, 200 Alcott Hall (O&L Branch) and another copy to Budget Division. Form 680 is prepared for each and every project, original approvals, renewals, and revisions. In the event a project is not renewed before the expiration date, and is continuing to operate, one twelfth of the prior year's expenditures may be allowed each month. An increase of 15% or not to exceed \$1,500 in annual project expenditures may be approved by a Division Chief or Chief of Station.

6. During discussions with the various offices relative to furnishing the Finance Division with more complete information concerning project approvals, personnel in charge of project administration expressed surprise that information furnished in the past, as well as that presently being routed to the Office of the Comptroller, was not entirely satisfactory. These personnel are emphatic in stating that information forwarded to the Comptroller, consisting of project approvals processed through the Project Review Committee and the various other Forms for furnishing advice of approval are exactly what the Comptroller had previously requested and stated would be sufficient for his purposes. DD/P representatives indicated that the present extent of furnishing information is in their opinion the maximum. The matter of obtaining original Forms in lieu of copies was suggested. Inasmuch as other offices concerned are satisfied with copies, no changes in present distribution will be made in the absence of formal request from this Office.

7. Officials of O&L Branch suggested the preparation of a Form which would be an advice of project approval and set forth the following information:

1. Name of Project
2. Purpose
3. Division Responsible for Administration
4. Cost Symbol
5. Amount
6. Agents Associated with Project
7. Type of Agents
8. Accounting Requirements set forth in detail
9. Administrative Plan or Agency Regulations govern

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Favorable consideration was not accorded the proposed Form by project administration personnel; primarily for the reason that all of the information was not needed by the Comptroller.

3. O&L Branch desires the original of each notification of project approvals. Personnel issuing such notifications state that furnishing an original document is not possible. O&L Branch is presently advised of approved projects through the following data:

1. Administrative Plan or Fiscal Annex for all projects
2. Project Review Committee Approvals Original to be furnished 1 July 1960)
3. Form 680 FI Operational Authorization
4. Form 756 Project Financial Data
5. Form 849 Notification of Project Approval (Arrangements are in process to furnish Finance Division with the signed original)
6. Director's memorandum to the Comptroller for special projects advising of approval and method of accounting for funds

9. In view of the fact that components within the DD/P responsible for project administration are of the opinion that all information required by the Comptroller in connection with the expenditure of funds relating to projects is being furnished, and is furnished to the extent previously agreed upon by the Comptroller as sufficient for his requirements, this Staff suggests that further consideration be given to utilizing the information received to the maximum extent possible. In the event specific deficiencies in essential information require correction, this Staff will be pleased to undertake necessary assistance to alleviate the situation.

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Chief, Technical Accounting Staff

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