

March 17, 1959

MEMORANDUM FOR CONGRESSIONAL CONTACT FILE

Armed Services Committee
House of Representatives

On March 10, 1959, I received a telephone call from Mr. Edward Saunders, Comptroller of Central Intelligence Agency, to the effect that I had an appointment with Mr. Robert W. Smart, General Counsel of the Armed Services Committee, at 1:30 p.m. in room 314 of the Old House Office Building.

I arrived at Mr. Smart's office at 1:15 p.m., introduced myself when we started our meeting immediately.

Mr. Smart proceeded to ask me questions pertaining to the audit of accounts both here in Washington, D. C., and foreign countries in connection with their rendition to the Central Intelligence Agency.

Many questions were asked by Mr. Smart which were as follows:

1. When was I first detailed here at the Agency to perform an audit at the site?
2. How was the audit conducted?
3. Was the audit as now performed any different than that when I first came to the agency?
4. Was the audit performed on a selective or 100 percent basis?
5. What disposition after audit by General Accounting Office site auditors was made of the vouchers, transportation requests, claims, and the supporting documentation? Were they retained by the Agency for final disposition?
6. Did I have contacts with the Agency personnel at all levels?
7. Was travel by the employees made entirely on Government Transportation Requests? Were many trips made on a cash basis?
8. How were questions or problems of importance settled with different components of the agency and on what basis? Did they consult GAO site auditors?
9. How was the agency or personnel paid their salaries and expenses?
10. Were there any contracts to be reviewed and were there any great numbers of vouchers to be audited under such contracts?

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11. Were there any foreign accounts that were audited here at the agency?
12. Did the agency as a whole seek information from the GAO site auditors and to what degree?
13. Had I any contact with the finance or unvouchered part of the agency in connection with their undercover travel?
14. What would the GAO do if their audit program were expanded and would the expansion of the audit be of a benefit to the agency?
15. Did the agency have their own Disbursing Officer and how did it operate?
16. Were we called upon to locate laws, decisions of the Comptroller General, etc., as to the problems which they had on hand?
17. Did they have their own payroll section and how it was operated and to what degree?
18. How was transportation request handled and how was the audit performed?

To all of the questions above I was informed by Mr. Edward Saunders, Comptroller of Central Intelligence Agency, that I was to answer Mr. Smart to the best of my ability and not to withhold any information I might have knowledge of. This I am sure was accomplished by my answers and Mr. Smart stated to me that he was very much pleased by the meeting and that he now had a better understanding about the agency and felt very much informed than heretofore.

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He closed the meeting at 2:20 p.m. and returned to the agency.

Due to security restrictions of this agency that certain information could not be disclosed, my answers to Mr. Smart's questions are not given for the above reason.

Edward T. Chappell
Supervisory Accountant

*the future the
series will be recorded
properly classified files
maintained as audit file.
Pace
12/21/59*