1 3 JUN 1961

MEMORANDUM FOR: Comptreller

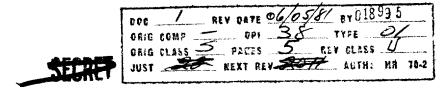
SUBJECT : Delivery of Treemary Checks

by the Fiscal Division

1. PROBLEM

Do the Fiscal Division's methods of delivering Treasury checks to payers comply with the principle that an individual who certifies vouchers for payment should not have access to checks prepared at his direction?

- 2. PACTS BEARING ON THE PROBLEM
- a. Pay checks are received from the Assistant Disbursing Officer assigned to the Agency by the Department of the Treasury, by designated employees of the Fiscal Division, Payroll Branch, who are not cortifying officers. Buch checks are distributed by such designated employees to authorized representatives of various agency components for delivery to individual payees. A receipt for each group of checks is obtained by the designated employees of the Payroll Branch from the designated representative of each office or component to whom checks are delivered.
- b. Cheeks payable to commercial firms are generally mailed to renders by the Disbureing Officer with mailing slips provided by the Fiscal Division. A few checks payable to contractors for services or materials provided under classified contracts are sent by the Disbursing Officer to the Fiscal Processing Branch (FPB) for mailing to the payers. Such checks are not bandled by Agency certifying officers.
- c. Chocks representing imprest funds or reimbursements therete are either mailed by the Assistant Disbursing Officer to the payers or sent by means of the courier receipt system by FPB, but not handled by certifying officers.
- d. Checks payable to the Treasurer of the United States or to another Federal Agency frequently require special processing procedures, including preparation of reports and hand-carrying of reports and checks to cleared personnel of other organizations. Checks in this category



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deductions for health benefits paid to CEEA; deductions for other health benefits paid to CEEA; deductions for other health henefits plans, group life insurance, and retirement paid to the Civil Service Commission; and relaboratements to other government agencies. Such checks are sometimes received and processed by the individual who certified the Socument requesting the check and who also serves as a listson officer with the other organisation.

exposses are either smiled directly to the traveler by the Assistant Dimbursing Officer or are given to a designated employee of the FPB who is not a certifying officer. After being legged in, such checks are released to personnel of the Travel Branch (who may include a certifying officer) and a receipt obtained by FPB personnel. Travel Branch personnel promptly notify the payees who call for the checks personally or send their agents to pick up their checks, or, if requested, checks are sent to payees through Agency courier sail services. Decause of the very limited staff assigned to the Travel Branch (four personn) and the occasional absence on leave or even during a lunch period, checks may be delivered by a certifying officer of the Travel Branch is order to avoid unnecessary delay in delivery of checks to payees.

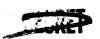
3. DISCUSSION

- a. The methods for delivering checks described in paragraph 2a, b, and c above comply with the principle stated in paragraph 1. Concerning checks described in paragraph 2d above, payable to the Trendurer of the United States, which in some cases are handled by the individual who certified the payment document, it is believed impracticable and unnecessary to alter the procedures currently being followed since week checks cannot be cashed by the individual and exprepriation of the funds represented thereby by the certifying officer would be virtually impossible.
- b. In order to comply with the principle stated in paragraph 1 with respect to checks issued for travel advances and reinbursement of travel expenses, described in paragraph 2e shows, the following possible alternatives have been considered:



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- (1) All such checks could be mailed by the Assistant Disbursing Officer to payees' residences and thus eliminate all personal pickup of checks from either the Assistant Disbursing Officer or the Fiscal Division.
- All such checks could be delivered to the payer or his designee by the Assistant Disbursing Officer or, when requested by the payer, mailed by the Assistant Disbursing Officer to the payer's residence or forwarded to the traveler through the Agency courier service. Security could be obtained from the travelers or their agents for personally delivered checks and the courier receipt system could be used if checks were forwarded by Agency mail.
- c. Fither one of the alternate procedures outlined in paragraph 3b, above, would eliminate the handling of travel checks by certifying efficers in the few cases now handled by them.
- d. The alternate procedure described in paragraph 3b(1) is not deemed acceptable, however, because in most cases the utilization of evert sails for delivery of checks would not satisfy the timing requirements for prompt delivery of travel advance checks. A traveler unable to locate a check delayed in the mail could be forced by such circumstances to request an emergency duplicate travel advance of cash is order to make his trip. If all checks were to be mailed to the payees' residences, it is believed that travelers accorded be seeking only cash advances.
- e. The alternate procedure described in paragraph 3b(2) would provide that all travel checks would be distributed by the Assistant Disbursing Officer. At the request of the travelers, all such checks could be either picked up from the Assistant Disbursing Officer by them or their egents, sent by the Assistant Disbursing Officer to them through the Assistant Disbursing Officer mail system, or mailed by the Assistant Disbursing Officer directly to the travelers' residences.
- f. The dolivery of checks by Agency courier service should be utilized as a part of any procedures for the delivery of travel checks. It is a practical method for delivery



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of the reinbursement type check and provides for receipts which establish an adequate trail to trace a check which might fail to reach its destination.

- g. The relocation of the majority of Agency personnel in the new building this fall would make it impractical for the Disburging Office to sorve as an exclusive pick up point for travel checks because such Office is destined to remain in the District of Columbia. The cost of the time of payers or their agents to travel to the District is order to obtain such checks would be probiblive. It will be necessary and desirable to plan for the future distribution not only of travel checks but also of payroll checks.
- 5. RECORNERDATIONS
- procedures for the Assistant Disbursing Officer to distribute all checks for travel advances and reimbursement of travel expenses should be adopted as set forth in paragraph 3b(2) above, pending the relocation of Agency personnel in the new building.
- b. Procedures for handling cheeks other than for travel advances and travel expenses should not be changed since present procedures comply with the objective of the stated policy that certifying officers should not handle checks drawn as a result of their certification except for checks payable to other agencies as discussed in paragraph 2d above, which can only be handled as deposits with the Department of the Treasury.
- c. In anticipation of the move to the new CIA building, procedures should be developed at this time for distributing travel and pay checks to personnel to be located in the new building, if as planned, both the Disbursing Office and the Fiscal Division remain is the District.

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Chief, Technical Accounting Staff

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CORCLERANGERS:	
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	13 June 1961
Chief, Fiscal Division	
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15/	13 June 1961
Assistant Disbursing Officer, Department of the Treasury	Pate
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APPROPED:	
	19 JUN 1961
Comptroller	De te