

Legal Dept

31 July 1947

OGC Has Reviewed

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MEMORANDUM TO PHV

Subject: PHV Project No. 51

*Contractor
(Construction)*

1. Attached hereto is memorandum from Special Funds Section to PHV, dated 15 July 1947, through this office, concerning the above subject. Attached to that memorandum are pertinent vouchers and papers. It is pointed out that subject Project was activated during a period in which project procedures were not clearly defined. Consequently, it is not entirely clear what the complete terms of the Project were and what obligations were assumed by the organization.

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2. The questions involved are itemized by [redacted] in his memorandum of 15 July, and we shall comment on them in that order.

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(a) In view of the letter of appointment issued [redacted] dated 28 August 1946, and accepted by him, there appears to be no question concerning salary rate. Further, the letter of appointment provides for annual and sick leave in accordance with regulations.

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(b) LAG is specified in the excerpts of Projects furnished Special Funds as \$1,200.00 (yearly -- approximately). However, there is a further notation that LAG was to be in accordance with regulations for that area. Also, the letter of appointment provides for such monetary allowances as are prescribed by the regulations of SBU if [redacted] is stationed outside the continental limits of the United States. Therefore, it appears there is a clear legal obligation to pay living and quarters allowance in accordance with provisions of Budget Circular A-1.

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(c) Although there is no mention of a back fund or operational fund in the letter of appointment issued [redacted] the excerpts of Projects approved by [redacted] indicate \$1,200.00 would be available for the first year of the Project and, specifically, \$100.00 for the first six months and \$200.00 per month thereafter. It appears clear that [redacted] understood these restrictions and the amounts available, although they are not spelled out in the letter of appointment. [redacted] whole indicates that on a strict accrual basis the maximum available for expenditure

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under such provisions would be \$928.73. It is pointed out that there is no specific mention of whether or not the task funds are to be accounted for in accordance with SSU regulations or whether a flat allowance was authorized. It is obvious that any expenditure of Special Funds must be in accordance with Special Funds Regulations in existence at the time. The amount of detail required in a particular accounting is, of course, varied to fit the circumstances of each individual case. It is within the province of the Special Funds Section to accept a certificate that receipts were not obtainable and that the amount being accounted for was expended by the individual signing the certificate. Such a certificate would require the approval of the branch chief. This procedure is provided for in the Special Funds Regulations. It is appropriate where an accounting cannot be furnished in complete detail that a general itemization be made and the necessary certificates attached to such an accounting for approval by the branch chief. There would appear no reason why such a procedure could not be followed in this case. In any event, there must be compliance with the Special Funds Regulations, and there must be an accounting furnished for operational funds expended, whether it be a detailed accounting with receipts, a general itemization with necessary certificates, or a certificate alone as provided for in the Special Funds Regulations.

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(d) On the question of transportation, the excerpts of the Project provide for \$500.00 from the United States to [redacted] and, in one copy the word "estimated" is added. There is no mention of return expenses from [redacted] to the United States. The letter of appointment provides that [redacted] will be reimbursed for travel expenses in accordance with the Standardized Government Travel Regulations. Therefore, it is clear that there exists a legal obligation to reimburse [redacted] for expenses of transportation in accordance with such regulations. There remains the question of approval of an increased budget for this Project to cover the additional expenses involved, since it appears it was not originally contemplated that [redacted] would be returned to the States in the first year. In addition, there should be a statement in the files that [redacted] was directed to return to the United States in order to establish the fact that travel was at the convenience of the Government. We see no question concerning

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The payment of per diem to [redacted] while in travel status, since such expenses are in accordance with the Travel Regulations.

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(a) The original project apparently was amended to provide for the cost of shipping [redacted] personal car to [redacted], and, therefore, such expenses are appropriate in accordance with regulations.

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Upon compliance with the above, we see no legal objection to approval by ADBO of reimbursement of the listed expenses. It is assumed, of course, that the accountings for travel expenses and transportation of automobile are in proper order.

[redacted]
Assistant General Counsel

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cc: [redacted]

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