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MEMORANDUM FOR: Comptroller

VIA: Chief, Covert Action Staff

SUBJECT: The Asia Foundation (TAF): Request for Authority to Transfer Funds Between Line Item Categories

1. IO Division believes that The Asia Foundation requires an increase in budgetary limitations for Program expenses by [] and Capital Outlay by []. The [] required for Program is to be transferred from the contingency portion of the President's Reserve Fund and the \$6,960 for Capital Outlay is to be transferred from the Administration category of TAF's FY 1960 Budget.

2. Of the [] increased requirements for Program activities, [] is needed to carry forward existing, committed projects in Pakistan and [] in Japan. These amounts do not necessarily represent increases in total anticipated expenditures for these projects but rather an adaption to the rate of progress in carrying forward the projects which rate can only be imperfectly gauged in advance.

3. At [] the total Capital Outlay budget for FY 1960 was pared to a level that provided only for minimum known requirements and contained no reserve for unanticipated emergency requirements. Despite close control and savings in some instances, the entire budget was expended or committed by the end of the third quarter. A number of unexpected situations, including provisions for housing in cases of accelerated replacements of staff, tenant's improvements when offices or house leases cannot be renewed and new quarters have to be occupied and replacement of equipment that breaks down completely, have necessitated the increase in the amount of []. The largest single item involves a piece of automotive equipment at [] scheduled for delivery and payment in FY 1959. Due to delays, the charge was not encumbered and had to be charged to FY 1960 Budget.

4. The net effect on TAF's FY 1960 Budget is as follows:

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<u>CATEGORY</u>	<u>APPROVED BUDGET</u>	<u>PROPOSED REVISION</u>	<u>REVISED BUDGET</u>
Program	[]	[]	[]
Administration	[]	[]	[]
Capital Outlay	[]	[]	[]
President's Reserve for Contingency	[]	[]	[]
President's Reserve	[]	[]	[]
	[]	[]	[]

5. A review of TAF's operating budget for the first ten months of FY 1960 and a projection of expenses for the remaining two months indicate that the above amounts can be made available from the Administrative and President's Reserve Categories.

6. Approval of the transfer of funds as proposed in Paragraph 4 above, is requested.

[]

Chief

International Organizations Division

CONCUR:

[]
[]
C/CA

[]
[]
COMPTROLLER

30 JUL 1960
Date

5 JUL 1960
Date

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