

VIA AIR

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DISSEMINATION
DATE

TO

FROM : Finance Division

SUBJECT: (General : Administrative/Finance
(Specific: Accounting and Reporting of Cash Collections

There is outlined herein a comprehensive list of the various transactions resulting in cash collections by field stations and the accounting procedures that are to be followed in the recording and reporting of such transactions.

I. Types of Cash Collections

The various transactions resulting in cash collections fall into what may be considered as three distinct groups; namely:

- A. Collections representing refunds of expenditures.
- B. Collections subject to application as reimbursements to an appropriation.
- C. Collections representing Miscellaneous Receipts which are not available for use by the organization.

II. Collections Representing Refunds of Expenditures

A. Examples of transactions considered in the nature of a refund for this purpose are as follows:

- ✓ (1) Refunds representing recoveries of amounts disbursed in error or adjustments of amounts previously charged to expense.
- ✓ (2) Proceeds from sales to employees or others of miscellaneous items and payments for services provided, such as:
 - ✓ (a) Sale of gasoline, oil, and lubricants.
 - ✓ (b) Sale of food, mess, and commissary supplies.
 - ✓ (c) Laundry Services.
 - ✓ (d) Rental and Lodging charges.
 - ✓ (e) Maintenance and repair services.
 - ✓ (f) Payments for personal use of official vehicles.
 - ✓ (g) Telephone services.
- ✓ (3) Proceeds of insurance claims to the extent of the cost of repairs made or to be made to damaged organization property.
- ✓ (4) Refunds by employees of excess compensation received by them from cover organizations.

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- other*
- (5) Return of funds from the liquidation of projects, which can be clearly associated with an active fiscal year appropriation or when refunds can be applied against an advance made to the project within the current or two previous fiscal years.
- B. The foregoing transactions, if related to expenditures made by the station, shall be reflected as a reverse expenditure against the applicable allotment.
- C. Transactions of this type pertaining to expenditures made by Headquarters shall be T/A'd to Headquarters, properly identified and cross referenced to the original expenditure, authorization or citation, if available.

III. Collections Subject to Application as Reimbursement to an Appropriation

- A. Transactions in this category represent collections that may result in funds being available for use by the Agency if certain conditions are met, but which are not available for use by field stations until advised that reimbursement to the allotment has been formally effected.
- B. Examples of transactions included in this category are as follows:
- (1) Proceeds of sales of organization-owned motor vehicles and other items of property, other than real estate, which have been or are to be replaced by similar items.
 - (2) Proceeds received covering the cost of material procured as an accommodation for individuals or groups in relation to the mission of this organization.
 - (3) Reimbursements received covering reimbursable details of employees or for special services or supplies provided to other [redacted] organizations.
- C. Transactions of this type shall be reported as Miscellaneous Receipts in the prescribed schedule, but shall be shown in a separate group with complete data for each transaction and complete description of the items of property. In this connection transactions relating to sales of personal property subject to possible replacement shall contain information as to the project that was controlling the property; as well as citing the authority received from Headquarters covering the sale of property.

IV. Collections Representing Miscellaneous Receipts and Not Available for Use by the Organization

- A. Examples of transactions included in this category are as follows:
- (1) Refunds of expenses pertaining to lapsed appropriations.
 - (2) Proceeds of sales of real property.

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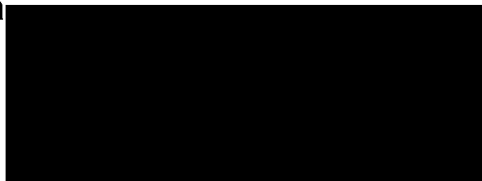
- (3) Proceeds of sales of surplus personal property.
- ✓ (4) Proceeds of salvage.
- (5) Return of funds from the liquidation of projects where the funds are not identifiable to a specific fiscal year or pertain to lapsed appropriations.
- (6) Funds identified as net profits of projects.
- (7) Interest on loans and notes.
- (8) Windfalls.
- (9) Miscellaneous Receipts not identifiable.
- (10) Other receipts; e.g., proceeds from vending machines which are not owned by employee groups and other collections for which no expense has been or is contemplated to be incurred.

B. Transactions of this type shall be reported as Miscellaneous Receipts in the prescribed schedule, but shall be shown in a separate group with complete data for each transaction.

V. Revision to Class A Accounting and Reporting Procedure

Revision is being made to the Class A Accounting and Reporting Procedures consistent with the procedures outlined herein.

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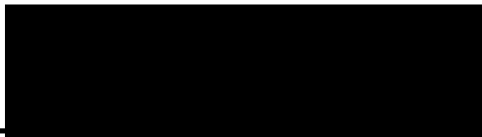


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- 3 Field
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*Receipt of cash
or deposit of fees for furnishing services
to the Public - Op. Comp. Sum dtd 2 Aug 56
13-128056*
