

**AGENCY FOR  
INTERNATIONAL  
DEVELOPMENT**



# **ANNUAL BUDGET SUBMISSION**

## **FY 1980**

## **BRAZIL**

**DEPARTMENT  
OF  
STATE**

MAY 1978



UNITED STATES GOVERNMENT

# Memorandum

TO : Mr. Robert E. Culbertson  
Associate Assistant Administrator, LA/DP

FROM : Francis R. Campbell - AID Affairs Officer  
USAID/Brasilia/Brazil

SUBJECT: FY 1979 Mission Operating Expense Budget (MOB)

DATE: May 3, 1978

Because USAID/Brazil was scheduled to close completely on September 30, 1978, no Mission-allotted MOB funds were requested for FY 1979 and personal ceilings of zero were set for both U.S. and FSL personnel. As you know, the LA Bureau now plans to recommend to the Administrator that the AID Affairs Office/Brasilia be kept open because of its potential role in the new "Strategy for Latin America" being developed by your office; it was suggested therefore, during a meeting held in AA/LA Valdez's office on April 7, that I submit a MOB proposal in order that operating funds could be made available should the LA Bureau's recommendation to keep this Office open be approved by the Administrator. Two alternative proposals are enclosed because of the uncertainty of the personnel levels which we will be allowed and I will explain the alternatives and make other comments in the following paragraphs:

## 1. U.S. National Direct-hire Employment

Provision is made for one AID American DH employee and, in accordance with the recommendation being prepared for the Administrator, the assumption is that I will fill the position and that I will have been on Home Leave and returned to Post prior to beginning FY-1979 and that it will be a normal two-year tour. Provision of funds for transfer from Post are therefore delayed until FY-1980. (The assumption of a normal two-year tour is a "given" only for the purpose of planning the MOB; no one promised me that I would be here the full two years.) No funding provisions were made for the assignment of a Population Officer because it was my understanding that he would be funded from regional funds.

## 2. Foreign National Direct-hire Employment

The two budget alternatives mostly center around this item. I consider three FSLs to be ideal since it would allow us to be better able to finish up our past program activities, do somewhat more Controller functions for whichever USAID takes over the Controller duties for us, be more effective in supporting regionally-funded or centrally-funded activities, place and monitor third country participants in Brazil, work with indigeneous and U.S. PVOs, and to attempt to identify new programs or projects in the event that direct bilateral projects for the poor become possible. These three



FSLs would be: a) Secretary and voucher clerk; b) Loan Accounting clerk and reports typist, and c) Program and Training Specialist. If personnel ceilings are so tight as to not permit three FSLs then we would have to get along with two but our activities will be more restricted and would probably affect new areas of activity rather than old ones.

It may be possible to obtain Trust Funds for the FSL funding under the MOB; I will mention this further on.

### 3. Housing

AID owns one house and 24 apartments in Brasilia. The apartments are in Embassy custody under Memorandum of Use Agreements; I live in the house. The housing budget is somewhat on the high side because we have budgeted for repairs to the roof of the house which leaks terribly and may be becoming unsafe as a result. Again, no provision has been made for a Population Officer, but a suitable AID-owned apartment can likely be made available under the terms of the Memorandum of Use with the Embassy.

### 4. Office Operations

AID offices are in the Embassy and all our office equipment is the property of the Embassy. The major expense under this category is the FAAS; the figure stated in the attached MOB proposals was given to us per 77 State 88489 and is much too high given our plans for close-out at the time. It may however, be too low if we get the staff I think we need and have a Population Officer assigned as well. In-country travel funds are needed for monitoring the São Paulo Science & Technology Loan and for making contacts with PVOs, none of which have their headquarters in Brasilia.

### 5. Trust Funds

We have not been able to discuss a possible Trust Fund budget with GOB officials because we have not been able to tell them whether or not the AID Affairs Office will remain open. Assuming that it will stay open and that the idea pleases the GOB, we may be able to fund all the FSL positions from Trust Funds as well as much of the office operations expenses and over half of the FAAS. This would reduce the dollar costs of the MOB by some \$100,000.

### 6. FY 1980 MOB

In view of the uncertainty regarding program possibilities, we have had to plan the FY 1980 MOB at more or less the same level as FY 1979. The figures are sort of de minimus and will either go up (if there are chances of new programs) or drop off sharply (if nothing develops and the AID presence here is reduced).

3.

While it will be difficult to refine the MOB proposals further until we know the status and size of this office, I will be pleased to try to clarify any questions you might have.

Attachment: a/s

AAO:FRCampbell:ncl







OPERATING EXPENSE BUDGET

EXPENSE CATEGORY	LINE NO.	FY 1978	FY 1979	F.Y. 1980		
				MARK	MINIMUM	PROPOSED
TOTAL OPERATING EXPENSE BUDGET	82	405.5	201.0	175.8 *		
<b>Reconciliation</b>						
Deduct from item 82 items not funded from Mission's allotment:						
Object Class 11	83	76.1	38.5	39.7		
Object Class 12	84	7.0	3.1	3.2		
Object Class 13	85					
Net FAAS (from line 78)	86	10.8	53.7	*		
Other - Explain on Attachment	87	197.9	0.3	0.3		
Net Allotment Requirements	88	111.7	105.4	132.6		
<b>Operational Year Allotment Requirement by Quarter</b>						
First Quarter	89		37.0			
Second Quarter	90		22.8			
Third Quarter	91		22.8			
Fourth Quarter	92		22.8			

\* FAAS charges for FY 1980 not yet provided by AID/W

ADDITIONAL SCHEDULES AND ANALYSES	Attached	
	Yes	No
Use of Trust Funds	X	
ADP Equipment		X
Budget Line 31 Detail		X
Budget Line 55 Detail		X
Budget Line 80 Detail	X	

ATTACHMENT I

BUDGET LINE 87 DETAIL

	<u>FY 1978</u>	<u>FY 1979</u>	<u>FY 1980</u>
1. Official Storage of Household Effects	-	0.3	0.3
2. <u>Use of Trust Funds</u>			
Object Class			
<u>Description</u>			
11 Personnel Compensation	109.2		
12 Personnel Benefits	1.3		
13 Benefits for Former Personnel	-		
21 Travel, Transportation of Persons	20.4		
22 Transportation of Things	7.6		
23 Rent, Communications, Utilities	8.2		
24 Printing and Reproduction	-		
25 Other Services	11.7		
FAAS Charge	36.3		
26 Supplies	3.2		
31 Equipment	-		
32 Lands and Structures	-		
	197.9	-	-
GRAND TOTAL	197.9	0.3	0.3

ATTACHMENT 2

BUDGET LINE 80 DETAIL

	<u>F Y 1978</u>		<u>F Y 1979</u>		<u>F Y 1980</u>	
	Dollar	Trust Fund	Dollar	Trust Fund	Dollar	Trust Fund
Office Equip. Maintenance and Repairs		0.2				
Medical Services	0.5	1.0	1.0		1.4	
Miscellaneous including Purchase Orders for Services		8.5				
<u>T O T A L</u>	0.5	9.7	1.0		1.4	







**OPERATING EXPENSE BUDGET**

EXPENSE CATEGORY	LINE NO.	FY 1978	FY 1979	F.Y. 1980		
				MARK	MINIMUM	PROPOSED
TOTAL OPERATING EXPENSE BUDGET	82	403.5	175.3	147.7 *		
Reconciliation						
Deduct from item 82 items not funded from Mission's allotment:						
Object Class 11	83	76.1	38.5	39.7		
Object Class 12	84	7.0	3.1	3.2		
Object Class 13	85					
Net FAAS (from line 78)	86	10.8	53.7	*		
Other - Explain on Attachment	87	197.9	0.3	0.3		
Net Allotment Requirements	88	111.7	79.7	104.5		
Operational Year Allotment Requirement by Quarter						
First Quarter	89		31.7			
Second Quarter	90		16.0			
Third Quarter	91		16.0			
Fourth Quarter	92		16.0			

\* FAAS charges for FY 1980 not yet provided by AID/W.

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