OPTIONAL FORM NO. 10

UNITED STATES GOVERNMENT

## Memorandum

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Op-09B22

DATE:

9 MAY 1962 Op-09BlC/crs

FROM:

Op-09B1C

SUBJECT:

Proposed agreement between the Department of the Navy and the Department of the Interior with respect to the transfer of responsibility for the Administration of the Saipan District, Trust Territory of the Pacific; request for comments on

Ref

(a) CNO ltr ser 254PO9B2 of 26 April 1962

- 1. In accordance with reference (a), the following comments are submitted.
- 2. It is recommended that the first sentence of paragraph 7 be revised to read as follows:

"All funds of the Saipan District Revenue Fund will be transferred to the properly designated Finance Officer of the Government of the Trust Territory against receipt."

3. Present wording is too broad and could be construed to include appropriated funds. Fiscal Year 1962 appropriated fund balances as of 30 June 1962 are not subject to transfer and in fact, no new obligations may be incurred after 30 June 1962 against these funds. The Bureau of the Budget desires, regarding the handling of Fiscal Year 1963 appropriated funds, is not yet known and it would be presumptious to attempt to commit the Bureau of the Budget to a specific course of action in the Transfer Agreement.

Sarpin. Turn-Our File

C B Shaw
Captain, USN
Comptroller, Office
Chief of Naval Operations

noted.