



ສະມາຄົມລາວ-ອາເມຣິກາ

LAO-AMERICAN ASSOCIATION

OFFICE MEMORANDUM

TO : The Members of the Board of Directors  
DATE : April 22, 1970  
FROM : Richard M. Hughes  
SUBJECT: Financial plan, IAA Fiscal Year 1971 (July 1, 1970-June 30, 1971)  
REF :

I attach for your consideration a draft of the fiscal data to be enclosed with a request from USIS to USIA/Washington for funds with which to make a grant to IAA within the next few weeks. The amount requested will be in addition to the amount which USIS has already reserved for us.

USIS will write the covering document for this enclosure after the Board has considered a paper which USIS is now preparing for it and which it hopes to have in your hands in the next day or two. I have asked that these figures be given to you ahead of time so that you will have time to familiarize yourselves with them while the paper is in preparation.

May I point out that on the sheet marked "Enclosure 1," the significant figures are in Columns (6), (7), and (8). (RMC means IAA--to USIA, associations like ours are known as binational centers.) GOE stands for General Operating Expenses, and means money controlled and spent by USIS in Laos. Direct Media Support refers to money spent by USIA in the United States at the request of USIS/Laos.

Column (6) shows the approximate amounts available at present (ignore the date of November 30 in earlier columns; there has been no change). Column (8) shows the total amount which USIS proposes to request, subject to the opinion of the Board. Column (7), therefore, is the amount of the increase desired, which can come to USIS only from USIA.

I suggest that you concern yourselves only with the amounts and purposes proposed in the two enclosures, and never mind which fiscal year they come from. Consideration of fiscal years only results in confusion, and it's the money we want, no matter what account USIA chooses to charge it to. USIS is going to try to get the requested increase as soon as possible.

These figures have evolved from what began as an internal exercise at USIS. I regret that they have not been reviewed with Mr. Chansamone, your Treasurer. The time is now ripe to do so, but because USIS wants to make its request to Washington as soon as possible after your meeting next week, I take the liberty of passing this to all of you at once, with apologies to Mr. Chansamone.

Our earned income is in addition to anything in the papers marked "Enclosure 1" and "Enclosure 2." I attach a sheet immediately following this one, which shows approximately how our earned income is disposed of. The earned income sheet and the sheets called enclosures constitute my budget forecast for the coming year as required by the Constitution and promised for April.

DISPOSITION OF IAA EARNED INCOME  
July 1, 1969-June 30, 1970

INCOME

Tuition	\$ 71,000	
Dues	300	
	_____	\$ <u>71,300</u>

EXPENSES

Teachers' salaries	\$ 51,200	
Asst. Director of Courses salary	7,200	?
Wages of administrative staff	13,700	
Less USIS grant	<u>3,500</u>	10,200
Pay to accountant	500	30 hours/month QUARTERLY REPORT
Automobile expenses (insurance, gasoline and oil, repairs, parts, depreciation reserve)	2,000	
Other	200	
	_____	\$ <u>71,300</u>

RESOURCE MANAGEMENT SYSTEM  
Summary of Variable Resources and GOE

	<u>FY69</u> <u>Actual</u> <u>(1)</u>	<u>FY70</u> <u>Allocation</u> <u>(2)</u>	<u>Processed</u> <u>Post Orders</u> <u>7/1/69 -</u> <u>11/30/69</u> <u>(3)</u>	<u>Estimated</u> <u>Pending Orders</u> <u>7/1/69 -</u> <u>11/30/69</u> <u>(4)</u>	<u>Total</u> <u>Processed</u> <u>&amp; Pending</u> <u>(3 + 4)</u> <u>(5)</u>	<u>Estimated</u> <u>Balance</u> <u>Available</u> <u>(2 - 5)</u> <u>(6)</u>	<u>Proposed</u> <u>Increase</u> <u>or De-</u> <u>crease (a)</u> <u>(7)</u>	<u>Proposed</u> <u>Annual</u> <u>Allocation</u> <u>(a + 7)</u> <u>(8)</u>
<u>BMC ONLY</u>								
<u>C.O.E.</u>	32,290 <sup>a</sup>	19,567	--	--	--	19,567	<u>51,560</u>	76,127
<u>Direct Media Support:</u>								
ICS	13,543 <sup>b</sup>	2,000	992	--	992	1,008	2,045	3,053
<u>Total (BMC only)</u>	<u>45,833</u>	<u>21,567</u>	<u>992</u>	<u>--</u>	<u>992</u>	<u>20,575</u>	<u>56,605</u>	<u>77,180</u>

<sup>a</sup>Grant No. IA-646-32, July 24, 1968, as amended . . . . . \$ 8,820  
 This was for the BMC's expenses during FY69.

Grant No. IA-646-34, August 16, 1968 . . . . . 820  
 This was a non-recurring special-purpose grant.

Grant No. IA-646-45, June 25, 1969 . . . . . 22,630  
 This is the amount comparable to the FY70 request--the grant used by the BMC for its FY70 expenses. In addition, it had \$4,000 from USIS FY68 GOE as a grant for unforeseen, but possible recurring, expenses in connection with its new buildings.

Total FY69 GOE granted to the BMC . . . . . 532,290

<sup>b</sup>We cannot tell whether mopix and sound equipment shipped by other media business divisions was actually paid for from ICS funds, but since the expenses were non-recurring, it doesn't matter.

4. enclosure

Request for Grant from  
USIA FY 1970 GENERAL OPERATING EXPENSES (GOE)  
for operations July 1, 1970 through June 30, 1971

RECAPITULATION  
of details on following pages

A. <u>Recurring</u>		
1. Department of Courses	\$10,627	
2. Department of Activities	10,620	
3. Department of Administration	38,150	
Total recurring . . . . .		\$59,397
B. <u>Non-recurring</u>		
1. Department of Courses	3,780	
2. Department of Activities	1,200	
3. Department of Administration	9,750	
Total non-recurring . . . . .		14,730
Total FY 1970 GOE, carried to Summary of Variable Resources and GCE, Column (6) . . . . .		\$74,127

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REVENUE STATEMENT, FINANCIAL YEAR

Requester

Department of Courses

1. Salary, Director of Courses	\$ 9,167	*
2. Reserve for tuition for special classes requested by U.S. Mission	1,260	*
3. Annual replacement of classroom chairs	200	*
	<hr/>	
Total . . . . .	\$10,627	

EXPLANATIONS

Item 1. USIA will drop the present position of Director of Courses, FSS, from its rolls. The BNC has selected a Director of Courses locally. She will take up her duties on the BNC payroll on July 30, 1970, at \$10,000 per year. The addition to USIS GOE will thus be far more than offset by the savings resulting from dropping the FSS position.

Item 2. See Schedule 1 at the end of this enclosure.

Item 3. 20 chairs per year (out of a total of 275) at \$10.

Department of Activities

1. Salary, Director of Activities	\$ 2,600	*
2. Salary, Assistant Director of Activities	820	*
3. <u>Friendship</u> magazine costs, 6 issues @ \$500	3,000	*
4. Other, Vientiane	2,400	* @ 600
5. Other, branches	1,800	*
	<hr/>	
Total . . . . .	\$10,620	

EXPLANATIONS

Item 1. Same as currently, with usual \$100 per year increase.

Item 2. Position filled February 16, 1970, with local employee of USIS, thus reducing USIS' payroll and providing funds for this position without increase in GOE.

Item 3. Unchanged. Assumes no increase in ~~ex~~ circulation from current 3,000 copies. USIS also supplies 44 reams of paper per issue. The BNC could obtain this paper for cash from USAID/SMB, the General Services Administration overseas warehouse in Vientiane, at about \$200 per issue, or \$1,200 per year. The BNC would prefer this system, as SMB's computerized ordering and larger stocks ensure a greater likelihood of availability when needed, and also because the cost could be more readily reflected in the BNC's books.

RECURRING  
GIFT

Item 4. Unchanged. Average \$200 per month.

Item 5. Larger than current amount. Average \$50 per month per branch.

Department of Administration

1. Administrative salaries, Vientiane		\$ 5,400	*
2. Salaries of Interim Branch Directors		16,500	
3. Building, grounds, and equipment maintenance, Vientiane		1,200	
4. Building, grounds, and equipment maintenance, branches		600	*
5. Supplies and equipment locally acquired from USAID/SMB/SGS		750	*
6. Rent, branches		4,800	*
7. Utilities, Vientiane	3,900		
Branches	<u>1,800</u>	5,700	*
8. Security guards, Vientiane	1,400		
Branches	<u>1,800</u>	3,200	*
 Total		<hr/>	
Total		<u>38,150</u>	

5,500  
2,120  

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7,620

JOB DESCRIPTION

CORNELL  
MORRIS  
PARMENTER

EXPLANATIONS

Item 1. See Schedule 2 at the end of this enclosure.

Item 2. For about a year and a half, locally-hired personnel, American if possible, will be needed to act as Interim Branch Directors. They will earn by teaching some of their estimated \$7,000 per year salaries. The total shown here for the coming year is the best current estimate of required support funds. Since it is not to recur after FY 1972 it is not so important to the going rate; also, most of it will not be needed until September 1970; and therefore it could be deferred until FY 1971 and is not started. why?

Item 3. Average \$100 per month. For replacement of broken and worn-out items, paint, plant replacement, fertilizer, plumbing repairs, repairs to damaged masonry, replacement light fixtures, air conditioner maintenance, etc.; we have already had expenses for each of these items.

Item 4. Average estimated \$200 per branch per year, which works out to under \$20 per branch per month and may prove too little.

Item 5. Estimate \$150 per year for mimeograph paper (250 reams) plus \$50 per month for other items. Much of this will be in lieu of office supplies formerly obtained from USIS or from direct ~~administrative~~ support allocation. In the early stages, some maintenance equipment and tools are being included. SMB is actually an overseas arm of the General Services Administration; hence the cost is no greater than that used by USIA, and delivery time is a few days rather than many months.

Item 6. Two branches have found buildings to rent; the rent is likely to come to \$200 per month each. Savannakhet will build at a cost as yet undetermined; see text of this FM under "Is there local support for the ENG?" on page \_\_\_\_\_, and the item under non-recurring expenses, Item 1, page 8 of this enclosure.

Item 7. For Vientiane, see Schedule 3. Branches estimated \$600 each.

Item 8. For Vientiane, see Schedule # 4. Branches estimated \$600 each.

GENERAL OPERATING EXPENSES (GOE)

Non-recurring

Department of Courses

1. Teachers' room furniture, Vientiane	\$ 180
2. Locally-acquired classroom furniture for branches	3,600
	<hr/>
Total . . . . .	<u>\$3,780</u>

EXPLANATIONS

Item 1. Present furniture, taken from old building, is worn out. Amount shown is estimate for equivalent of 12 new chairs at \$15 each.

Item 2. Average \$1,200 per branch. They have nothing now. Most of this will go for student chairs with writing arms.

Department of Activities

1. Equipment for branches	\$ 300
2. Equipment for Vientiane	
a. Main curtain for stage: estimate for installation of hardware and curtain to be acquired through USIA	400
b. Hardware and labor for installation of theater lighting equipment to be acquired through USIA	500
	<hr/>
Total . . . . .	\$1,200

*\$100/year/branch -*

EXPLANATIONS

Item 1. Estimate \$100 per branch for sports, handicraft, and other items. The branches expect to mount more community-service activities than does Vientiane, and will need hand tools, sewing implements, etc.

Item 2. The next major needs in the new Vientiane auditorium are a main curtain and some professional lighting. Items sought from Direct Support allocation are listed in the next section of this enclosure. They require some local hardware and labor.

Department of Administration

1. Building preparation, branches	\$ 6,800	
2. Additional construction, Vientiane	2,000	
3. Visitors' furniture, Director's office, Vientiane	400	
4. Window curtains, main building, Vientiane	550	*
	<hr/>	
Total . . . . .	\$ 9,750	

EXPLANATIONS

Item 1. Assuming the acquisition of rented space by Pakse and Luang Prabang, there will inevitably have to be changes made in partitioning, plumbing, etc. There should be \$1,000 available at each branch for this purpose. Cash requirements for building at Savannakhet might come to the equivalent of two years' rent, or \$4,800; much labor and material will come from other sources.

Item 2. Like a cathedral, Vientiane may keep building for ~~many~~ a long time. But there is an immediate need for flagpoles, a walkway from the main building to the stage entrance and the ~~gymnasium~~ badminton court, for certain backstage facilities such as a toilet and washbowl, etc.

Item 3. A set of chairs and a coffee table are needed as a minimum for the empty half of the office. To be locally acquired.

Item 4. Students and teachers complain bitterly of the sun, especially in the afternoons. In their offices the additional heat causes excessive use of air conditioners with their expensive current. This item is an early "must."

Request to USIS for FY 1970 Support from  
DIRECT SUPPORT ALLOCATION

RECAPITULATION  
of details on following pages

A. recurring	\$ 225
B. Non-recurring	2,828
	<hr/>
Total FY 1970 Direct Support Allocation, carried to Summary of Variable Resources and GOE, Column (8) . . . . .	<u>\$3,053</u>

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DIRECT SUPPORT ALLOCATION

Recurring

1. Periodical subscriptions	\$ 25
2. Phonograph records	100
3. Miscellaneous offers by USIA--special slides, tapes, publications, etc.	100
	<hr/>
Total Direct Support Allocation, recurring	<u>\$225</u>

## DIRECT SUPPORT ALLOCATION

Non-recurringFrom MOA XII 220

<u>Item</u>	<u>Catalog</u>	<u>Article</u>	<u>Quantity</u>	<u>Unit</u>	<u>Unit cost</u>	<u>Total</u>
<u>No.</u>	<u>No.</u>				<u>\$</u>	<u>\$</u>
	6	Book displays				
1	a.	Wire, expandable for multiple table display	10	ea	.98	9.80 *
2	b.	Wire, easel, for single open book	10	ea	.59	5.90 *
3	c.	Wire, easel, for single closed book	10	ea	.44	4.40 *
4	d.	Wood, with felt rests, for multiple table display	10	ea	2.49	24.90 *
5	204	Graflex slide projector, 220V, 50 cy.	1	ea	91.46	91.46
		Accessories:				
6	(a) or (d)	Changer	1	ea	10.17	10.17
7	(c)	Carrying case	1	ea	8.50	8.50
8	(b) or (e)	Slide magazine, 36 slides	3	ea	1.49	4.47
9	(g)	Remote control extension cord	1	ea	2.39	2.39
10	(f)	Extra lamp for 220V--DBT	3	ea	4.50	13.50
	200	Blackboard, 4 x 6 ft.				
	a.	Portable, single writing surface				
11	(1)	Black, wood frame	18	ea	11.05	199.00 *
	209	Filing cabinet, legal size, steel, upright				
	b.	5 drawers high, 1 drawer wide				
12	(1)	with lock	3	ea	52.45	157.35
	210	Flags, U.S.				
	a.	Nylon flags				
13	(1)	2 1/3 x 4 1/2 ft.	3	ea	5.50	16.50
14	(2)	3 1/2 x 6 2/3 ft.	2	ea	7.90	15.80 *
	232	Addressing machine, Elliott				
	b.	Attachments and supplies				
	(5)	Cabinet unit for 2 x 4 1/2" stencils				
15	(a)	Cabinet only	1	ea	49.95	49.95
16	(b)	Trays	18	ea	.76	12.68
17	(c)	Tray fronts	9	ea	.20	1.80

From Kliegl Bros. Theater Lighting Catalog and Condensed Price List

18 Theater lighting equipment 1,100.00

From source to be selected by USIA

19 Main curtain for theater, and hardware 1,100.00

Total, Direct Support Allocation, non-recurring 2,828.50

EXPLANATIONS

Items 1-4. Book displays. For Vientiane. ~~Some~~ A number of book exhibits are available, especially from the Agency, from time to time. We have no equipment with which to display them. An example is the WORLD OF ~~THE~~ PAPERBACKS exhibit, 1,200 books, which we have requested.

Items 5-10. Slide projector. For Vientiane. We have numerous opportunities for slide talks on the U.S. or Laos. Our present projector, a ~~is~~ gift from a resident American couple, was adequate in our old location, but is too weak in the new location.

Items 11-12. Blackboards and filing cabinets. For the branches.

Items 13-14. Flags. The three smaller ones are for the branches; the two large ones, for Vientiane's hoped-for flag poles. To accompany these American flags, ~~we~~ we will have Lao flags of comparable quality manufactured here, a common practice in this country.

Items 15-17. Cabinet for address stencils. ~~See~~ Storage space for our growing supply of stencils. The wooden boxes that we had made locally are proving unsatisfactory; we need professional equipment.

Item 18. ~~Spotlights~~ Lights. See Schedule 5.

Item 19. Curtain. No data available since architect (OICC) must design hardware and establish dimensions. Photos have been taken and the data will soon be ready for USIA. As a rough guess, we might assume 12 panels of 44" material each 7 yards long, or 84 ~~panels~~ yards, which at \$3 per yard (including lining) would be \$250. Fabrication in the U.S. might cost \$350, for a total of \$600. This is wild guessing, however. OICC recommends U.S. hardware--another \$500? Another wild guess.

SCHEDULE 1  
(Refer to page 2 of Enclosure 2)

Tuition for special classes requested by U.S. Mission

One on-going class for VIP ladies, 3 terms of 60 hours each 180 x \$3.00 . . . . .	\$ 540
Other classes and tutorings, estimated four during the year, 60 hours each 4 x 60 x \$3.00 . . . . .	720
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Total . . . . .	<u>\$1,260</u>

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EXPLANATION

Includes preparation of International Visitors, VIP classes, VIP ladies' classes, etc. Charge of \$3 per class hour is 75% of rate charged for USAID-sponsored classes.

SCHEDULE 2  
(Refer to page 4 of Enclosure 2)

Administrative salaries, Vientiana

Secretary

Salary (equivalent to FSS 10/1)	\$5,522	?
Salary for FSL 4/4	1,050	
	<hr/>	
Difference	\$4,472	
Requested		\$4,400

Administrative Assistant (Office)

Salary	\$2,047	
Salary for FSL 4/4	1,050	
	<hr/>	
Difference	\$ 997	
Requested		1,000

Total requested		<u>\$5,400</u>
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LAST YEAR  
\$ 3,500

SEE Disposition

LOCAL INCOME

EXPLANATIONS

The requirement for a Secretary is unchanged from last year; i.e., we would be glad to hire a Lao, but no qualified Lao is available. ?  
we are reluctant to hire ~~THAI~~ TCN's, given the nature of our organization. Consequently we use an American. She had worked for us for less money--a really ridiculous salary--but competition has caused us to raise her to the FSS 10 level at which the U.S. Mission hires American secretaries locally. We ask for the difference between that salary and what we would pay a local if one were available, based on U.S. Mission theory.

The argument for the Administrative Assistant is similar. We have a TCN (Thai) in the job, and no qualified Lao is available. She is extremely valuable to us, and ~~as of~~ <sup>as of</sup> July 1, 1970, will have reached the top salary that we pay. We need help to meet the

difference between her salary and what we would pay a Lao in the same position if one were available.

It would simplify the bookkeeping to apply the whole \$5,400 to the Secretary's salary and pay the Administrative Assistant from our earned income, but this schedule shows how the figure is reached.

SCHEDULE 3

(Refer to pages 4-5 of Enclosure 2)

Utilities, Vientiane

Estimated water	\$ 480
Estimated electricity	3,600
	-----
Total for utilities	\$4,480
Total for utilities, last year in old building	1,404
	-----
Difference	\$3,976
Requested	<u>\$3,900</u>

EXPLANATIONS

We were able to meet our ~~estimated~~ utility expenses in the old building without help from USIS. In the new building, we have much more expense but only a few more students; that is, we have more space to air condition (and still we have only five air conditioners against the 10 recommended by the architect), and we have a vast lawn and garden to irrigate during the dry season. We cannot meet the difference without help. The estimates are drawn as carefully as possible with the experience we have had to date.

SCHEDULE 4  
(Refer to pages 4-5 of Enclosure 2)

Security guards, Vientiane

365 nights of 12 hours each	4,380 hours
52 Saturdays and 52 Sundays, or 104 weekend days of 12 hours each	1,248 hours
8 American holidays not falling on Saturday or Sunday of 12 hours each	96 hours
20 (approx.) Lao holidays not falling on Saturday or Sunday of 12 hours each	240 hours
	<hr/>
	7,164 hours
7,164 hours at \$.20 (100 kip) per hour	\$1,432.80
Requested	<u>\$1,400</u>

EXPLANATION

The need is obvious. This is about the same as we received for the purpose for our FY 1970.

SCHEDULE 5  
(Refer to page 12 of Enclosure 2)

Theater lighting equipment, Vientiane

Theater flood/spot light

Kliegl 1305/8CR iris G with 750T14 lamp,  
570 color frame, and 142C floor stand.

This is the simplest of the Klieglights,  
for use from the room beside the projec-  
tion booth where ports for such lights were  
built in. It will serve as a spot--either  
stationary or follow--or as a flood. It is  
adjustable to numerous light patterns and a  
variety of beam widths. Estimated

\$ 150

Portable short section border lights

Or fixed, depending on further data from  
Kliegl. 2 8' lengths, Kliegl No. 610CPG,  
or 610 PG if available for glass roundels  
only. Each holds 15 100 watt lamps. To  
mount above proscenium. Per length, about  
\$180.

360

Stippled glass roundels for above.

30 plus 10 spares = 40. No price data;  
estimated \$2 each.

80

Floodlights

2 floods No. 546G for overhead use. No price  
data available. Est. \$45 each. Lamps: 500 watt  
PS 4C. No price data.

90

Spotlights

2 stage spots No. 43N3CRG. Round beam, fresnel  
lens, color frame 1C32G for glass, 2' to 10'  
throw, 100 watt lamp 100/G16 $\frac{1}{2}$ /2DC, telescopic  
roller caster stand. Basic unit about \$30. No  
price data on color frame, color media, stands,  
or lamps. Est. \$30. Estimated

120

Dimmers

5 manually operated dimmers to control

- (1) border lights
- (2) and (3) 2 floods
- (4) and (5) 2 spots

or other combinations.

No price data whatever. Estimate \$40 each.                   \$ 200

Transformers

Technical data not available until lighting equipment characteristics firm. Working figure out of the air, for one variable 220/110V stepdown transformer on stage, between power source and dimmers, as follows:

Border lights	3,000 watts		
2 floods	1,000 watts		
2 spots	200 watts		
Supplemental lights	800 watts		
	<hr/>		
	5 kilowatts	Est.	100
			<hr/>

Total requested

\$1,100

NOTE

We twice asked for Kliegl price lists but both times received only a condensed price list, which is inadequate for our needs. Apparently we or USIA will have to send specifications to Kliegl to get firm quotations. Once we know the money is available, we will send very detailed specifications.