

TELEPHONE CALL TO HUGH MOHRBACHER (ICA/WASHINGTON) BY RUBEN V. AUSTIN
2 P.M., SEPTEMBER 1, 1960

RVA: WHERE ARE YOU NOW?

HM: 401 23D ST, NW AT "E"

RVA: I WANT TO CHECK WITH YOU BY PHONE ON THIS CONTRACT 876--DO YOU HAVE A COPY AVAILABLE?

HM: I DO NOT HAVE 876, BUT I HAVE A STANDARD CONTRACT. JUST A MINUTE, I'LL GET A COPY.

RVA: WHILE HE IS LOOKING FOR THE FOLDER, I'LL REVIEW SOME OF THE QUESTIONS. UNDER APPENDIX B, ON THE OPERATIONAL PLAN AND CHIEF OF THE PARTY, THERE IS THE MATTER OF DISTRIBUTION OF EXPENSES OR PAYMENT FOR ALLOWANCES. IF THEY ARE TO BE PAID BY USOM, THEN IT MIGHT BE A LITTLE STICKY IF WE TRY TO REQUIRE VOUCHERS HERE AND THERE ALSO.

HM: THAT'S RIGHT. WE HAVE A PECULIAR ARRANGEMENT; SEEMS TO ME THERE SHOULD BE A DETERMINATION UNDER WHICH CONTRACT YOU WANT IT PAID. I HAVE THE CONTRACT, WHAT PART OF IT?

RVA: APPENDIX B, SECTION III, PARAGRAPH A-3.

HM: I THINK THAT, RATHER THAN TRY TO SPLIT THE DARN THING, SPLIT THE CHIEF'S SALARY, BUT PUT ALLOWANCES UNDER ONE OR THE OTHER. DO YOU SPLIT YOUR BUDGET UP THAT WAY?

RVA: YES, ORIGINALLY WE DID.

HM: OF COURSE, YOU COULD WORK OUT SOMETHING WITH THE MISSION--YOU PAY FOR SIX MONTHS AND THEY PAY FOR SIX MONTHS.

RVA: UNDER THAT SAME SECTION REGARDING "HOME STAFF:" BEFORE GIVING YOU THE SECTION OF THE SENTENCE, AS YOU KNOW, OUR OFFICE HERE HAS ATTEMPTED TO COMBINE ALL OF THE CONTRACTS (1, 2, AND VIETNAM), STILL KEEPING WITHIN BUDGETARY LIMITATIONS OF EACH CONTRACT. I WONDER IF, FOR AUDITING PURPOSES, IT MIGHT NOT BE BETTER TO DELETE FROM THE SECOND LINE "...NOT TO EXCEED THE HALF-TIME OF ONE PERSON..."

HM: PROBABLY WON'T HAVE THE HALF-TIME OF ANY ONE PERSON CHARGED TO THIS CONTRACT, WOULD YOU?

RVA: NO, PROBABLY NOT; IF THAT PHRASE THEN COULD BE PUT RIGHT AFTER THE "CAMPUS COORDINATOR

HM: YES, COULD PUT "CAMPUS COORDINATOR (PART-TIME). SECRETARIAL LIMITS SHOULD NOT BOTH YOUR OFFICE AT ALL THOUGH, RIGHT?

RVA: OK. NOW, LET'S GO TO APPENDIX C, THE QUESTIONS WE HAVE ON THE \$35,000--WHAT REALLY IS THE INTERPRETATION OF THE EXPRESSION, "...TO BE ADMINISTERED BY USOM..."?

HM: AS YOU KNOW, WE ARE MAKING THIS MONEY AVAILABLE IN DOLLARS BECAUSE WE ARE NOT SURE HOW MUCH LOCAL CURRENCY WE ARE GOING TO GET OUT OF THE BRAZILIANS...THE MISSION WILL GO AHEAD AND SPEND THESE DOLLARS FOR THESE ENUMERATED EXPENSES AND TRY TO COLLECT AS MUCH AS THEY CAN. JUST LET THE MISSION WORRY ABOUT THE LOCAL CURRENCY.

RVA: DO WE HAVE TO, IN ANY WAY, ACCOUNT FOR THE \$35,000 IN OUR RECORDS HERE?

HM: I DO NOT THINK SO. I THINK THE MISSION WILL ADMINISTER THIS DIRECTLY, AND YOU DO NOT HAVE TO WORRY ABOUT THE RESERVE.

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RVA: WILL THE VOUCHERS GO TO USOM FROM STAFF MEMBERS IN SAO PAULO AND DO WE NOT ENTER INTO ANY OF THE TECHNIQUES OF PAYMENT AND SO ON?

HM: RIGHT. LOOK AT THE FIRST PART OF YOUR APPENDIX C--IT SETS IT FORTH PRETTY CLEARLY.

RVA: IF A DISALLOWANCE OCCURS (AND WE HAVE CONSIDERABLE BACKGROUND ON THIS FROM OUR VIETNAM CONTRACT) ON A PAYMENT MADE BY USOM, ~~BB~~ TO ONE OF OUR STAFF MEMBERS, ~~BBXME~~ WHAT DO WE DO AS THE CONTRACTOR?

HM: YOU WOULD HAVE TO SETTLE THE MATTER WITH USOM BECAUSE THEY ARE RESPONSIBLE FOR THAT MONEY.

RVA: ON PAGE ~~BB~~ C-3, AFTER PARAGRAPH 5, WE FEEL THAT A PROVISION SHOULD BE ADDED SOMETHING LIKE THIS:

A SUGGESTED PARAGRAPH 6. "IT IS FURTHER UNDERSTOOD THAT CONTRACTOR WILL NOT BE RESPONSIBLE FOR EXPENDITURES MADE BY USOM FROM LOCAL CURRENCY OR RESERVE FUNDS."

HM: OK, BUT WHY A PARAGRAPH 6, CAN'T IT GO UP WITH CAMPUS COORDINATOR?

RVA: PERHAPS. WE KNOW HOW THESE CIRCUMSTANCES HAVE GREPT UP ON THE VIETNAM CONTRACT DUE TO CHANGING OF AUDITORS, ETC., WHICH IS ~~BBY~~ WHY WE ARE SOMEWHAT CONCERNED.

HM: I THINK THE LANGUAGE IS ALL RIGHT, BUT JUST TRY TO FIGURE OUT THE BEST PLACE TO PUT IT.

RVA: HOW ABOUT RIGHT AFTER PARAGRAPH 5, JUST BEFORE LOCAL CURRENCY.

HM: COULD FIX UP NO. 4 AND IT WOULD BE BETTER IF WE COULD FIT IT IN THERE.

RVA: WE CAN PUT IT AFTER "THE FOLLOWING" IN NO. 4. I DON'T THINK IT WOULD MEAN RE-STENCILLING, HUGH--WE CAN FIT IT IN AND INITIAL IT, OF COURSE.

HM: LET'S DO THIS--LOOK AT PARAGRAPH 4 AFTER "THE FOLLOWING, AND THE CONTRACTOR WILL NOT BE RESPONSIBLE FOR...."

RVA: NOW, WHAT I WILL DO IS TAKE IT TO VICE PRESIDENT MAY, ⁶ INITIAL THE CHANGES, SEND THE SIGNED COPIES, REQUEST A RETURN WITH INITIALS, ETC., PLUS SOME CONFORMED COPIES.

RVA: ANOTHER TOPIC, HUGH: WE HAVE JUST RECEIVED A COMMUNICATION FORWARDED TO US BY LLOYD MUSOLF, OUR CHIEF ADVISOR IN SAIGON, IN WHICH HE ENCLOSED A FORMAL TRANSLATION OF A MEETING HELD BY RECDTR THONG, DIRECTOR OF THE NIA. THEY HAVE MADE PROVISION FOR FOUR MORE PH.D. TRAINING SLOTS FOR PARTICIANTS. QUESTION COMES UP THEY WOULD LIKE TO HAVE (IN FACT, THONG HAS WRITTEN HIS ACADEMIC DEAN WHO IS NOW VISITING HARVARD) US INTERVIEW THESE PROSPECTIVE PH.D. CANDIDATES, ONE OF WHICH IS LOCATED IN NEW YORK, AND THE OTHER IN PHILADELPHIA. MY QUESTION IS THIS: WOULD IT BE POSSIBLE TO OBTAIN SPECIAL PERMISSION FOR TRAVEL, NOT ONLY MINE BUT HACH'S (THE DEAN NOW IN BOSTON) AND THE PHILADELPHIA CANDIDATE SO WE COULD ALL MEET IN NEW YORK?

HM: SINCE THEY ARE NOT YET PARTICIPANTS, I DO NOT SEE HOW WE CAN DO IT. YOU SHOULD CHECK WITH GUS HERTZ' OFFICE. YOU COULD HAVE THEM EITHER COME TO NEW YORK AT THEIR OWN EXPENSE OR YOU CAN GO VISIT THEM IN PHILADELPHIA AND BOSTON--THE CONTRACT PROVIDES FOR THIS, YOU KNOW.

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Now

RVA: Now, how is our firm budget on 1130 coming?

HM: That is the one we have to get the PIO's figured out to see how much money we have. I think we are going to be asking you for another year's budget because we have enough money now to think about extending and would want to do it all under the same amendment.

RVA: Fine, I'm glad to know this.

JR