



COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON D.C. 20548

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June 29, 1970

Dear Mr. Langen:

On April 2, 1970, Mr. Ronald L. Martinson of your staff sent to our Office a copy of a newsletter dated May 1, 1969, issued by the Bureau of Customs District Office, Pembina, North Dakota. In the newsletter, the District Director states, "We have significant funds to expend or commit before July 1. Every Port Director who is involved in any way in these matters should make certain that he is doing all in his power to assist and expedite."

In his letter to us, Mr. Martinson pointed out that the Pembina District appears to have had a surplus of money to consume before the fiscal year 1969 expired. He requested us to look into this matter and to report on why the Pembina District had such significant funds to expend and what happened to this money.

To determine if funds were obligated at or near the end of the fiscal year in order to "use up" available funds, rather than let the authority to obligate expire, we reviewed pertinent activities at the Bureau of Customs in Washington and at its Chicago Regional Office. The Pembina District Office is under the jurisdiction of the Chicago Regional Office. Total obligations incurred for the district during fiscal year 1969 amounted to about \$1.1 million; about \$950,000 of this amount was for salary and related costs.

The obligations incurred in May and June 1969 by the Pembina District were generally higher than the monthly average for the previous 10 months. However, the obligations were incurred for operating needs of the District and for projects that had been planned earlier in the budget year. Our review did not disclose any evidence that funds were obligated for the purpose of using available funds.

The Pembina District Office has under its jurisdiction 23 ports of entry--21 in North Dakota and 2 in Minnesota. As a result of the extreme weather conditions during winter months, the border crossings by vehicles--buses, cars, and trucks--in the Pembina District increase significantly during the warmer months of the year. We were advised that, due to weather conditions, maintenance and repair work on border stations are usually delayed until warmer months.

The monthly obligations for personal services in May and June 1969 were about \$15,000 higher than the average monthly obligations (\$85,000)

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for the preceding 10 months. Vehicle crossings during April, May, and June were almost double the number of crossings for the previous 3 months and this increase would justify the need for additional personnel. We also noted similar trends in obligations incurred during the other warmer months of the year (July, August, and September).

The District Office also obligated about \$15,000 during May and June 1969 for equipment and repair projects; however, these obligations had been approved earlier in the budget year by regional and Bureau officials. We also examined obligations incurred by the Pembina District Office in fiscal years 1967 and 1968, and we did not find any evidence that funds were being obligated in the latter months of the fiscal years for the purpose of using available funds.

Concerning the statement made by the District Director, we were advised that the intent of the statement was to remind Customs personnel at the various ports of entry of the maintenance and repair projects that had been approved, that funds had been provided, and that work on the projects should be done.

Please let us know if we can be of any further assistance to you in this matter.

Sincerely yours,

(SIGNED) ELMER B. STAATS

Comptroller General  
of the United States

The Honorable Odin Langen  
House of Representatives

