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The Honorable Lee Metcalf  
Chairman, Subcommittee on Reports,  
Accounting, and Management  
Committee on Government Operations  
United States Senate

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Dear Mr. Chairman:

In accordance with your June 19, 1975, request and subsequent discussions with the Subcommittee staff, we have reviewed (1) the circumstances surrounding the award of a grant by the National Institute on Alcohol Abuse and Alcoholism (NIAAA) to the Citizens Conference on State Legislatures and the extent of State Senator Robert P. Knowles' involvement in the award process (see enc. I), (2) the use of advisory committees by the Alcohol, Drug Abuse, and Mental Health Administration (ADAMHA) (see enc. II), and (3) the accountability for and the disposition of funds by Federal advisory councils and committees established or utilized by the Office of Education (OE) (see enc. III). Following is a summary of the information developed. Additional details are included in the enclosures.

GRANT TO CITIZENS CONFERENCE  
ON STATE LEGISLATURES

NIAAA and the National Institute on Drug Abuse (NIDA) jointly funded a grant awarded to the Citizens Conference. The grant's purpose is to stimulate State legislatures in developing public policy on alcoholism and drug abuse and to demonstrate that the quality of legislation could be improved if standing committees operated on a year-round basis with full-time staff support.

The grant application was received by the Department of Health, Education, and Welfare (HEW) on March 29, 1974. On April 17, 1974, the applicant was notified that the application would be considered by the National Advisory Council on Alcohol Abuse and Alcoholism at its November 1974 meeting.

MWD-76-79

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However, following a meeting of the Vice President of the United States and high level officials from HEW, the Special Action Office for Drug Abuse Prevention, and the Law Enforcement Assistance Administration, a special review panel was established on April 22, 1974, to review the application. This was apparently done so the application could be considered at the June 1974 meeting of the National Advisory Council.

The special review panel consisted of three persons selected by a Special Assistant to the Director, NIAAA, on the basis of their willingness to serve and their experience in the legislative, health care, and related areas. The backgrounds of the panel members indicated they might look favorably on the application. According to the HEW committee management officer, this panel did not have to be chartered as a Federal advisory committee under the Federal Advisory Committee Act because the panel members reviewed the application individually without reaching a consensus on its overall merits.

The panel was established to comply with ADAMHA's general policy of obtaining an objective review of each request for discretionary grant funds by persons outside the organization which has grant award authority. The panel held no meetings. Each member considered the grant application individually and submitted written comments to the Special Assistant. The Special Assistant prepared a summary statement for the National Advisory Council on Alcohol Abuse and Alcoholism, which, as a matter of policy, reviews all discretionary NIAAA grants except noncompeting continuations. All panel members commented favorably on the grant application and the Special Assistant assigned it a score of 130. (Applications are assigned scores between 100 and 500, with 100 signifying excellent and 500 very poor.)

The special review panel's activities were completed after each member submitted comments. The members were paid \$200 each for their services. One member, however, returned this money to NIAAA.

Regarding Senator Knowles' involvement, it does not appear that he did more than review and recommend approval of the application. We did note, however, that he helped select States where the project was to be carried out and was the primary spokesman for his home State. We did not try to determine the extent to which this influenced the final selection of his State as one of five to participate in the project.

ADAMHA ADVISORY COMMITTEES

As of September 1975, ADAMHA had 31 committees chartered under the Federal Advisory Committee Act (5 U.S.C. appendix I)--24 for initially reviewing grant applications and 7 for other purposes.

In fiscal year 1974, ADAMHA utilized 18 unchartered committees and 20 chartered committees for initially reviewing grant applications. In fiscal year 1975, one additional committee was chartered for this purpose. While we believe the use of these unchartered committees was useful in providing an objective review of grant applications, the use of such committees is unauthorized. ADAMHA attempted to obtain charters for 25 initial review groups in fiscal year 1975 but was successful in chartering only 4.

Other mechanisms used to review ADAMHA grant applications are discussed in enclosure II.

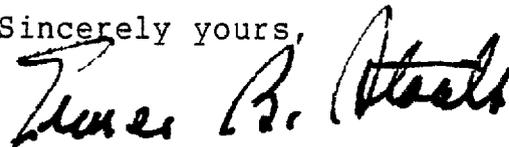
OE ADVISORY COUNCIL AND  
COMMITTEE EXPENDITURES

Agency records show that OE advisory council and committee expenditures for fiscal year 1975 were about \$2.1 million. OE procedures for controlling council and committee expenditures appear to be adequate.

The functions of the councils and committees are entirely advisory. The National Advisory Council on Indian Education also has authority to review and make recommendations on grant applications for certain OE programs. Sixteen of the 20 OE councils and committees were active in calendar year 1974.

As requested by your office, we have not obtained comments on this report from either HEW or the Office of Management and Budget. We have, however, discussed the information informally with ADAMHA and OE officials.

Sincerely yours,



Comptroller General  
of the United States

Enclosures - 3

GRANT TO CITIZENS CONFERENCEON STATE LEGISLATURES

The Citizens Conference on State Legislatures was formed in 1965 as a nonpartisan, nonprofit organization whose purpose is to improve the effectiveness of State government by strengthening the operations of the State legislatures. With financial support from major private foundations and other sources, the Citizens Conference engages in a wide range of activities aimed at upgrading the effectiveness of State legislatures.

In June 1974, a grant for a 4-year project was awarded to the Citizens Conference. For the first 2 years--July 1, 1974, to June 30, 1976--NIAAA and NIDA were to provide \$692,050 and \$390,000, respectively, for direct project cost. The purpose of the grant was to

--stimulate State legislative action in developing sound public policies on drug abuse and alcoholism and

--demonstrate that the quality of legislation substantially improves if major standing committees operate year round with the support of a full-time, professionally qualified staff to assist in gathering and analyzing data and incorporating it into statutes.

A description of the grantee's activities, NIAAA's review of the grant application, and other actions related to the award follow.

GRANT PROPOSAL

NIAAA initially became involved in the Citizens Conference proposal in November 1973, when an Assistant Director of the former Special Action Office for Drug Abuse Prevention sent a copy of it to the Deputy Director, NIAAA. Grant file documents indicate that, initially, there was some uncertainty about whether NIAAA could support this proposal. A Special Assistant to the Director, NIAAA, told us that a precedent for funding proposals similar to the one submitted by the Citizens Conference had been established in 1969 when the Office of Management and Budget said State legislative agencies were eligible to apply for Federal grants-in-aid unless a Federal statute specifically excludes their eligibility.

In February 1974 the Special Assistant received the Citizens Conference draft proposal for a "Demonstration Program to Stimulate State Legislative Action on Alcoholism and Drug Abuse." By letter dated March 6, 1974, the Special Assistant asked the Citizens Conference to formally submit a grant application for review.

#### GRANT APPLICATION

The formal application from the Citizens Conference was received by the Division of Research Grants, National Institutes of Health, on March 29, 1974. This division, which does most of the initial processing on almost all Public Health Service grant applications, assigned the application to the ADAMHA grant referral and review officer for subsequent assignment to an advisory committee for initial review and recommendation.

Advisory committees that initially review grant applications are comprised of individuals with demonstrated competence in various fields and specialties.

In February 1973 the Secretary of HEW established, as departmental policy, a requirement that all discretionary grant awards be based on a system of objective review by persons outside the organization which has grant award authority. Formal instructions to implement this policy were published in the Public Health Service Grant Administration manual on December 31, 1974, with an effective date of not later than June 30, 1975.

Applications for NIAAA grants reviewed by initial review groups are forwarded to the National Advisory Council on Alcohol Abuse and Alcoholism with a priority score and one of three recommendations--approval, disapproval, or deferral.

The National Advisory Council was established on December 31, 1970, under section 217 of the Public Health Service Act, as amended (42 U.S.C. 218). Its functions are to advise the Secretary, HEW; the Administrator, ADAMHA; and the Director, NIAAA, of HEW's policies and programs in the areas of alcohol abuse and alcoholism. It also reviews grant applications and makes recommendations to the Secretary. While the law states that only research grant and construction and staffing grant applications have to be reviewed by the National Advisory Council, ADAMHA officials told us that, as a matter of policy, all NIAAA discretionary grant applications, except those for noncompeting continuation grants, are reviewed by the Council.

The Citizens Conference grant application was assigned by the ADAMHA grant referral and review officer to the advisory committee responsible for initially reviewing NIAAA grant applications concerned with public inebriate, drinking driver, poverty, and demonstration projects. On April 12, 1974, the application was transferred to a review group responsible for community prevention and youth education projects. The ADAMHA grants referral and review officer told us that NIAAA officials believed this second group was a more appropriate one to review the application.

When the application was received, it was initially scheduled for review by the National Advisory Council in June 1974. On April 17, 1974, however, the Deputy Director, Division of Prevention, NIAAA, notified the applicant by letter that the application would be considered at the November 1974 National Advisory Council meeting.

A week before the April 17 letter, the Vice President of the United States; the Deputy Director, NIAAA; the Director of NIDA and of the Special Action Office for Drug Abuse Prevention; the Administrator, Law Enforcement Assistance Administration; and others met to discuss the application. A memorandum in the grant files prepared by the president of the Citizens Conference said the Vice President made it clear that he had an interest in the grant application and that it had been developed at his own insistence in order to initiate a demonstration project to improve communications between Federal officials and State legislators.

On April 22, 1974, the Special Assistant established a special review panel to review the application instead of having the group responsible for community prevention and youth education projects review it. This enabled the National Advisory Council to review the application at its June 1974 meeting. Although the ADAMHA grants referral and review officer was responsible for approving changes in initial review assignments and for scheduling grant applications for National Advisory Council review, she was not notified of these changes.

#### SPECIAL REVIEW PANEL ACTIVITIES

The three members of the special review panel were selected by the Special Assistant on the basis of their willingness to serve and their experience in the legislative, health care, and related areas.

On the basis of information in the grant file and a discussion with the Special Assistant, it appeared the members of the special review panel would look favorably on the Citizens Conference application. For example:

- One reviewer was a State legislator concerned with improving States' legislative capabilities. He had previously reviewed a similar project supported by a large private foundation and undertaken by the Citizens Conference.
- Another reviewer was a member of the National Advisory Committee on Health, which was established by the Citizens Conference to advise it on a project supported by the large private foundation. This project was similar to the one the Citizens Conference requested NIAAA to fund.
- The other reviewer had a reputation as a State legislator responsible for developing alcohol-related legislation.

Members of the special review panel never met as a group to discuss the grant application. Instead, each reviewed it independently and submitted comments to the Special Assistant. According to the HEW official responsible for implementing the Federal Advisory Committee Act, this type of review panel does not have to be chartered under the act because the reviews were done individually without a consensus being reached on the merits of the application.

Each reviewer commented favorably on the Citizens Conference application. The Special Assistant prepared a summary statement of the comments for use by the National Advisory Council. The Special Assistant told us that, on the basis of the reviewers' comments, he assigned a priority score of 130 to the application. (Applications are assigned scores between 100 and 500, with 100 signifying excellent and 500 very poor.) The National Advisory Council concurred with the recommendation contained on the summary statement and, at its June 10-11, 1974, meeting, recommended that a grant be awarded for a 4-year period as follows.

<u>Project year</u>	<u>Recommended direct costs</u>
1	\$347,900
2	634,150
3	510,950
4	165,250

On June 24, 1974, a grant supported by NIDA and NIAAA for \$390,000 and \$692,050, respectively, was awarded to the Citizens Conference to cover the first 2 years of operation. NIDA and NIAAA had previously agreed on the amount of funds to be provided by NIDA. The total of these awards was \$1,082,050, or \$100,000 more than the amount recommended by the National Advisory Council. On September 16, 1974, NIAAA advised the grantee that its award of \$692,050 had been incorrect and was being reduced by \$100,000--apparently to reconcile the total amount awarded with the amount recommended by the National Advisory Council. On the basis of information in the grant application, it appears the grant was awarded on a 2-year basis to meet the grantee's objective of placing teams of qualified personnel in selected States for a 2-year period.

In September 1974 the Citizens Conference was awarded a supplemental grant of \$712,343 to cover indirect costs for the period October 1, 1974, to June 30, 1976. Our review showed that this amount had been incorrectly computed. The original computation showed that indirect cost for the period July 1, 1974, to December 31, 1975, had been based on total salaries of \$1,003,300. The supplemental grant for indirect cost should have been based on total salaries of \$501,650 for the period October 1, 1974, to June 30, 1976. The correct amount for indirect cost for this period would have been \$346,616.

On August 11, 1975--after we had brought this matter to NIAAA's attention--a letter was sent to the grantee saying the award for indirect costs had been overstated by \$365,727 and that this amount plus the \$100,000 of overstated direct costs would not be available for expenditure or obligation without prior written approval from NIAAA.

ADMINISTRATIVE MATTERS RELATING TO THE REVIEWS  
OF THE CITIZENS CONFERENCE APPLICATION

The reviewers' comments on the Citizens Conference grant application were requested by a letter dated April 22, 1974, from the Special Assistant to the Director, NIAAA. The comments were furnished on May 6, 7, and 23, respectively. However, the Special Assistant did not take any action to prepare professional services contracts with the reviewers until May 17, 1974. On June 18, 1974, he signed documents indicating receipt and acceptance of the comments as prepared in accordance with these professional service contracts and terminated the contracts.

Each reviewer received \$200 for his services. The chief of the Contract Branch, NIAAA, told us that the reviewer responsible for passage of alcohol-related legislation returned his check to NIAAA on the basis that the detailed review of the application had been performed by his administrative assistant.

A STATE SENATOR'S INVOLVEMENT  
IN DEVELOPING THE GRANT APPLICATION

On the basis of our review of the grant files, a discussion with the Special Assistant, and information obtained from the Citizens Conference, it did not appear that State Senator Robert P. Knowles was involved in developing the Citizens Conference grant application. It appears, rather, that all he did was perform the review functions discussed above.

The Citizens Conference assistant director of operations told us that on September 25, 1974, the Citizens Conference sent Senator Knowles a letter confirming an oral (telephone) agreement he made with the principal investigator for the project (the NIAAA grant) to serve on the Legislative Professional Staff Project Advisory Committee. On November 1, 1974, a letter was sent to him confirming another oral agreement he made to serve as chairman of this advisory committee. The assistant director of operations also said Senator Knowles was not on the Citizens Conference payroll but did receive a consultant's fee and travel expenses to attend advisory committee meetings.

Documents in the grant file indicate that Senator Knowles participated in a meeting during the week of December 8, 1974, to interview legislative leaders of some of the States which had expressed interest in the project. He was the primary spokesman for his home State. We made no attempt to determine if this presentation, or his activities as chairman of the advisory committee, influenced the final selection of his State as one of the five States to participate in the project.

ADAMHA ADVISORY COMMITTEES

As of September 1975, ADAMHA had 31 chartered advisory committees--24 for the initial review of grant applications and 7 for other purposes.

ADAMHA utilized 18 unchartered committees and 20 chartered committees in fiscal year 1974 for the initial review of grant applications. In fiscal year 1975, one additional committee was chartered for this purpose.

The Federal Advisory Committee Act authorized the establishment of a system governing the creation and operations of advisory committees in the executive branch of the Federal Government. The act's objectives include:

- Limiting the number of advisory committees to those that are essential.
- Providing clear goals and standards and uniform procedures for advisory committee creation, operation, and duration.
- Insuring that adequate information on advisory committees is provided to the President, the Congress, and the public.

All executive branch committees which meet the definition of advisory committee in the act must be chartered. The charters specify the committees' scope of activities and objectives and financial and administrative requirements. Nevertheless, ADAMHA has used unchartered committees to perform essentially the same functions as the chartered committees. While we believe the use of these unchartered committees was useful in providing an objective review of grant applications, the use of such committees is unauthorized. We plan to pursue this matter further with the agency.

An ADAMHA official told us that unchartered committees and other review mechanisms were used to:

- Avoid conflict-of-interest situations--for example, the application of a member of a chartered review committee cannot be reviewed by his own committee.
- Permit evaluation of an application for which no chartered committee existed.
- Review grant applications for chartered committees which had been abolished.

INITIAL GRANT APPLICATION REVIEW

In fiscal year 1974, the ADAMHA agencies utilized 20 chartered advisory committees for initial grant application review. Since then four new committees have been added--one in fiscal year 1975 and three in fiscal year 1976.

In fiscal years 1974 and 1975, the ADAMHA grants referral and review officer also referred applications to 18 unchartered initial review committees. Of these, 10 had previously been chartered committees responsible for reviewing National Institute of Mental Health applications for training grants. When the Administration attempted to phase the training programs out, these committees were abolished. Congressional appropriation actions, however, required that these programs be continued.

ADAMHA officials told us that, except for research grants and contracts, there are no specific legislative requirements that either chartered or unchartered committees be used for initially reviewing grant applications. They stated, however, that various review mechanisms were administratively established to objectively review applications.

In fiscal year 1975, ADAMHA attempted to obtain charters for 25 advisory committees for initial grant application review but only succeeded in chartering 4. An ADAMHA official told us that attempts are being made to obtain charters for most of the rest of these committees. He also said HEW and Office of Management and Budget officials responsible for advisory committee management (1) generally do not agree as to whether additional committees are needed to review grant applications, (2) believe that one purpose of the Federal Advisory Committee Act is to limit the number of committees, regardless of the need for additional committees, and (3) base the need for chartered committees on the programs in the President's budget.

OTHER CHARTERED COMMITTEES

In addition to the 24 chartered initial review committees, ADAMHA uses 7 other chartered advisory committees. They advise HEW officials on (1) technical matters--for example, they assess the intramural research in progress as well as the productivity of the staff scientists involved, (2) the development of agency policy, and (3) final recommendations on grant applications.

The committees which make final recommendations on applications were established by legislation; the initial review committees were administratively established.

NUMBER OF APPLICATIONS  
REVIEWED BY ADAMHA

In fiscal years 1974 and 1975 various types of ADAMHA grant review groups reviewed 9,719 competing grant applications.

Competing grant applications include applications for (1) new projects, (2) existing projects scheduled for termination but which are requesting funds for additional years of support, and (3) supplemental funds. Requests for supplemental funds by existing grantees are generally reviewed by agency personnel unless the grantee is requesting a change in the scope of its operations.

The following table contains information on the number of grant applications reviewed by agencies within ADAMHA and by the various types of ADAMHA review groups in fiscal years 1974 and 1975.

Type of review group	<u>NUMBER OF COMPETING APPLICATIONS REVIEWED</u>						Total	Percent
	Agency							
	Fiscal year 1974			Fiscal year 1975				
	NIMH (note a)	NIDA	NIAAA	NIMH (note a)	NIDA	NIAAA		
1. Permanent chartered committees	1,700	312	282	1,861	308	382	4,845	49.9
2. Standing unchartered committees	129	199	701	165	35	295	1,524	15.7
3. Ad hoc committees (note b)	704	252	8	770	105	0	1,839	18.9
4. Special review panels--"reader system" (note c)	9	0	1	8	0	1	19	.2
5. Agency personnel	76	78	16	54	147	60	431	4.4
6. Other mechanisms (note d)	<u>383</u>	<u>4</u>	<u>0</u>	<u>132</u>	<u>22</u>	<u>520</u>	<u>1,061</u>	<u>10.9</u>
Total	<u>3,001</u>	<u>845</u>	<u>1,008</u>	<u>2,990</u>	<u>617</u>	<u>1,258</u>	<u>9,719</u>	<u>100.0</u>

a/National Institute of Mental Health.

b/Includes committees that generally meet only once a year to review training grant applications.

c/These groups functioned in a manner similar to that of the group that reviewed the Citizens Conference proposal.

d/Includes grants reviewed by a combination of methods (such as reader plus staff review) in NIDA and NIAAA and regional office review in NIMH.

ADVISORY COUNCILS AND COMMITTEESUTILIZED BY THE OFFICE OF EDUCATION

In fiscal year 1975 OE had 10 Presidential 1/ advisory councils and 10 Secretarial 2/ advisory councils and committees available for its use. All the councils and committees were established by specific legislation--except the Advisory Committee on Accreditation and Institutional Eligibility, which was established by the Commissioner of Education under part D of the General Education Provisions Act (20 U.S.C. 1233a). The functions of the councils and committees are entirely advisory. The National Advisory Council on Indian Education is the only advisory council which has authority to review and make recommendations on grant applications for certain OE programs.

The councils and committees are required to submit annual reports, on a calendar year basis, to the Congress, the President, or both. Sixteen of the 20 councils and committees operated during calendar year 1974 and have either transmitted or drafted their annual reports for that year. The four that were not operating were the:

1. Advisory Council on Women's Education Programs.
2. Advisory Council on Environmental Education.
3. National Council on Quality in Education.
4. National Advisory Council on Ethnic Heritage Studies.

OE'S FINANCIAL MANAGEMENT SYSTEM  
FOR ADVISORY COUNCILS AND COMMITTEES

Before August 1974, the Presidential advisory councils operated under interagency agreements with OE and received funds allotted quarterly from that organization. The councils were responsible for their own financial systems, and each council maintained a bank account; paid expenses, including salaries; maintained accounting records; and submitted financial reports to OE upon request. The Secretarial

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1/Council members are appointed by the President.

2/Council and committee members are appointed by the Commissioner of Education or the Secretary, HEW.

councils and committees operated under OE's financial management system, with OE disbursing the funds for expenditures and maintaining the financial records. A January 31, 1974, decision by the Comptroller General (B-179188) resulted in the Presidential advisory councils being brought under OE's financial management system. However, a later decision (B-179188, Apr. 15, 1975) made it clear that we believed that the General Education Provision Act councils should be responsible for handling salaries, travel arrangements, and other expenses independently.

In August 1974, the Presidential advisory councils started submitting all their documents concerning financial transactions to the committee management staff in OE's Office of Management. The staff screens the documents for completeness, support, and compliance with established requirements and enters the data in one of the logbooks maintained for each advisory council. Once satisfied with the documents, the staff forwards it through OE channels to either the Fund Control Unit, Accounting Operations Branch, for obligations or to the Fiscal Services Branch, Finance Division, for payments. At these two points the data is again reviewed before being entered in OE's accounting system.

OE's financial management system produces several external and internal financial reports. Of these, the "Summary Report by Object Class - Administrative Funds" shows the expenditures for each advisory council and committee by major and sub-object classifications. Using preliminary reports prepared by OE for fiscal year 1975, we identified total expenditures of \$2,129,791 for all the advisory councils and committees. A summary of these expenditures follows.

OE's procedures for controlling council and committee expenditures appear to be adequate; however, we did not review any individual transactions.

## OE ADVISORY COUNCIL AND COMMITTEE EXPENDITURES

FOR FISCAL YEAR ENDED JUNE 30, 1975

Advisory council or committee	Personnel compensation	Personnel benefits	Travel and trans- portation	Rent, communi- cations, and utilities	Printing and re- production	Contract- tual services	Supplies and ma- terials	Equipment	Total
Vocational Education	\$ 242,181	\$18,968	\$ 66,059	\$2,564	\$ 24,688	\$ 66,147	\$12,524	a/\$ 9,843	\$ 442,974
Adult Education	101,818	7,754	37,633	-	1,299	123,588	3,944	666	276,702
Indian Education	121,270	8,704	57,842	395	2,797	33,584	1,146	2,228	227,966
Supplementary Centers and Services	123,911	9,477	31,290	1,828	25,455	18,650	851	382	211,844
Education of Disadvan- taged Children	120,407	8,056	31,648	-	33,157	1,074	3,450	441	198,233
Education Professions Development	93,038	7,244	20,682	-	12,084	27,800	3,945	197	164,990
Equality of Educational Opportunity	74,645	5,354	56,357	1,355	536	14,401	924	607	154,179
Extension and Continu- ing Education	76,485	4,170	33,211	1,891	1,540	12,041	1,661	698	131,697
The Handicapped	69,944	6,257	14,207	105	3,250	1,372	1,433	(b)	96,568
Bilingual Education	15,698	994	33,468	35	-	7,323	-	-	57,518
Community Education	6,800	398	6,284	-	-	41,243	-	-	54,725
Accreditation and In- stitutional Eligi- bility	20,939	1,089	18,453	-	-	115	-	-	40,596
Career Education	3,300	193	6,249	-	-	25,966	-	-	35,708
Financial Aid to Students	6,263	384	13,822	-	-	1,517	33	-	22,019
Developing Institu- tions	2,650	155	6,253	-	-	31	-	-	9,089
Women's Educational Programs	-	-	2,504	-	-	1,623	-	-	4,127
Ethnic Heritage Studies	800	47	-	-	-	9	-	(c)	856
Environmental Education (note d)	-	-	-	-	-	-	-	-	-
Quality in Education (note e)	-	-	-	-	-	-	-	-	-
Education of Bilingual Children (note f)	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$1,080,149</b>	<b>\$79,244</b>	<b>\$435,962</b>	<b>\$8,173</b>	<b>\$104,806</b>	<b>\$376,484</b>	<b>\$29,911</b>	<b>\$15,062</b>	<b>\$2,129,791</b>

a/The Council's expenditures are to be reduced by \$64,909 because personnel compensation and benefits for OE personnel were incorrectly charged to the Council.

b/The Council's expenditures are to be reduced by \$72,535 because personnel compensation and benefits for OE personnel were incorrectly charged to the Council.

c/Although the \$856 was erroneously recorded, OE allowed the charges to remain due to the amount of the expenditure and the expense of correcting the error.

d/Funds were budgeted for the Council but no members were appointed to it in fiscal year 1975.

e/Funds were not budgeted nor were members appointed for the Council in fiscal year 1975.

f/The members of this Committee and the National Advisory Council on Bilingual Education are the same. The fiscal year 1975 funds allotted to the Committee were terminated on November 19, 1975, and all its expenditures are to be transferred to the Council on Bilingual Education.

Note: The financial data appearing in this appendix is preliminary and subject to change due to corrections and other data not yet received for fiscal year 1975.