# ADMINISTRATIVE MEMORANDUM No. 128

## SUBJET:  NEW SYSTEM TO CONTROL EXPENSES

On December 1, the Secretary General issued a notification advising OAS units of a new system of controls to better align OAS expenses with strategic objectives and reduce expenditures in a time of austerity.  This memorandum provides instructions about the new system.  Please review the original memorandum in conjunction with this memorandum.  One important change is that the Assistant Secretary General will review all requests and make his recommendations for approval/disapproval to the Secretary General.  The Secretary General will make all final decisions.

This process applies only to requests for approval for costs included in the 2016 budget.  It is NOT intended as a means to request additional funding for new or existing programs or projects.  Units seeking "reinforcement" funding should consult with SAF about the proper format for those requests.

Expenses approved by the Secretary General remain subject to all existing OAS controls.  This process does NOT eliminate the need to process spending requests through other systems, including OASES and RBCS.  (For instance, if the Secretary General approves the purchase of specific goods, the Department of Procurement must still issue the contract based on proper competition.)

In all cases, please include a concise justification for the request.  Areas should NOT assume expenses will be approved merely because they relate to traditional or continuing activities.

Based on our experience using this new system, SAF may issue updated instructions.  We will appreciate your constructive suggestions to make the system more user-friendly and efficient.

**Automated System http://services/ears/**
To implement the new controls, SAF/DOITS created an automated system, the Expenses Authorization Request System (EARS). All units will utilize EARS to submit these requests for authorization.  This will be the standard method to route requests to all necessary reviewers prior to the request reaching the Secretary General.  *There is no need to send separate or individual requests to the Assistant Secretary General, the Secretary for Administration and Finance, or the Strategic Advisor for Organizational Development.*  Reviewers may contact the originating office directly for further information concerning individual requests.  Once the Secretary General makes a decision to approve or disapprove the requested spending, the person who submits the request will receive an email notification.

If your request is approved, the email will contain an attachment in electronic (PDF) format to document the approval. The originating unit will attach (upload) a copy of the PDF-format approval notification into OASES, the RBCS system (used to request approval for CPRs for individuals) or any other applicable system.

DOITS designed EARS to the same standard as existing applications, so the interface should be familiar to many OAS employees. EARS is available from the OAS Connect home page by selecting the "Online Tools" button (where links to other applications such as LMS and OASES are located).

Per the Department of Evaluation and Planning, the EARS system requires units to enter the Program/Department/Operative Goals for each request. For technical reasons, these still reflect the 2015 OAS organization. For recently reorganized units, please continue to use the categories from 2015. For instance, the Art Museum of the Americas will select Program 09 - SECRETARIAT FOR EXTERNAL RELATIONS, Department 09.04 - Art Museum of the Americas and then the relevant Operative Goal.

**CPRs (for Individuals and Entities) Financed by the Regular Fund and ICR**
For result based contracts (RBCS) for individuals (natural persons) and for results based contract for legal entities (legal CPRs) financed by the Regular Fund and ICR, departments/units may submit their requests on a quarterly basis. Entities should submit a single, consolidated request including all CPRs for natural persons for the quarter. If necessary, you may also submit additional single requests when these cannot be included in the quarterly request.

Reminder: CPRs financed by funds other than the regular fund and ICR are exempt from this process. You may process them as usual.

To assist areas in preparing CPR requests and conducting their own internal reviews/approvals, we created a simple Excel CPR Request spreadsheet template which you may wish to use. This spreadsheet has the same formatting as the form in the EARS system. Once you complete your list of proposed CPRs using the Excel spreadsheet, you can copy and paste the information into the EARS system.

**Travel Expenses**
The current travel policy (Administrative Memorandum 122 – Travel Policy) stipulates the need for all areas to submit quarterly travel plans. These plans must detail the individuals who will travel, the official travel itineraries, the purpose of each trip, its justification, the approximate cost, and the expected results. All OAS Official Travel Plans must be formally authorized in advance and in writing by the corresponding area's highest authority (Director or Secretary, the Chief of Staff or the Secretary General). Travel plans are evaluated and approved in accordance with Administrative Memorandum No. 79, and Chapter VIII of the Staff Rules - Travel. On October 22, 2015 the Department of Procurement informed all areas of an instruction from the Office of the Secretary General that all GS/OAS Official Travel requires a written authorization from the Office of the Secretary General.

- Effective immediately, each area should submit these quarterly travel plans via the new automated system. After obtaining all required internal approvals for the plan, including approval from an official at the director level of above, areas may upload the form to the system for review by the Secretary General.

- Please submit your authorization requests well in advance, at least one month before the start of each quarter (by the end of February for travel in the quarter April to June). Doing so will help SAF process your tickets on time, and at the lowest possible costs.

- For individual travel requests not already authorized in the quarterly plan, please submit requests via the automated system. Units should submit a combined request for all travel expenses related to a specific meeting or event, or a series of trips related to a specific project.

- SAF will continue to evaluate and approve **emergency** or urgent travel, travel which must be initiated within days, on a case by cases basis. To request approval, please submit the completed form via email to Ileana Navarro and copy Secretary for Administration and Finance Jay Anania.

- Once travel is approved, either via the automated system of control (for routine travel) or via memorandum from SAF (for urgent/emergency travel) please include an electronic copy of the approval along with the travel-related requisition you submit to the Department of Procurement (SAF/DP). DP will then create the purchase order. DP is not authorized to create a purchase order for travel without the required approval.

This measure affects all GS/OAS official travel, including the trips from staff members that originate outside headquarters. For that reason, SAF reminds all responsible personnel in the field to wait for the duly approved purchase orders before authorizing the issuance of travel tickets.
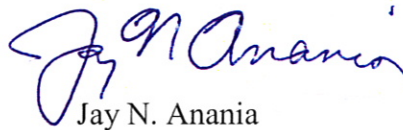
To assist areas in preparing travel requests and conducting their own internal reviews/approvals, we created a simple Excel Travel Request spreadsheet template which you may wish to use. This spreadsheet has the same formatting as the form in the EARS system. Once you complete your list of proposed travel using the Excel spreadsheet, you can copy and paste the information into the EARS system.

**Excluded Items**
As noted in the Secretary General's memo, several categories of expenses are not subject to this approvals process. These include:

- Assistant Secretary General's travel;
- Purchases in accordance with the terms of awarded bids/contracts;
- Maintenance of buildings/facilities including public utilities services, power, water, gas, heat;
- Essential information technology infrastructure, software and telecommunications services including mandatory licenses

- Consultant services related to internal maintenance services (building maintenance and essential information technology services)
- Common costs including photocopy; LAN, Internet, phone & cellphones (including international call charges); courier and postage; passport issuance;
- Staff statutory benefits, including home leave travel, repatriation benefits, recruitment and mobilization benefits, and education grants;
- Salaries and benefits for Temporary Support Personnel (TSP) and Local Professionals at National Offices;
- Housing, Hospitality, and Representation allowances;
- Reimbursements in accordance with BYOD Policy (Bring Your Own Device);
- Travel for other dependencies arranged by the GS including Inspector General, Board of External Auditors, Commissioners, and Fellowships;
- Honoraria for Commissioners and TRIBAD judges;
- Exgratia and medical insurance to former Executives;
- Repayment of debt of the OAS building;
- Subsidies to Specialized Organs.

Jay N. Anania
Secretary for Administration and Finance

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January 8, 2016