



UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

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W. W. Myers
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PROGRAM ANALYSIS
DIVISION

APR 14 1980

IN REPLY
REFER TO:

McKinney
instructed

✓ The Honorable Stewart B. McKinney R
House of Representatives

Dear Congressman McKinney:

Subject: Year End Spending Patterns for Six Object
Classes in Eight Agencies (PAD-80-75)

The enclosed data are provided as a preliminary response to your March 3, 1980, request and subsequent agreement with your office. The data cover the spending patterns of eight Federal agencies and six object class categories for fiscal years 1977, 1978 and 1979. We will provide our analysis of these data in a subsequent document.

Dollar amounts and percentages included in the schedules were computed using figures contained in Treasury Bulletins. We have not verified the published data. Some of the amounts are questionable and caution should be exercised in using them.

For example:

- Many negative numbers appear in the Treasury Bulletins. Negative numbers would not be expected for gross obligations with the public. For instance the Department of Health, Education and Welfare reported a negative \$27 million during September of fiscal year 1978 in land and structures.
- Errors are made in reporting object class amounts. For instance obligations totaling \$189 million for Housing the Elderly (Housing and Urban Development) appeared 1 month under interest and dividends and another month under grants, subsidies and contributions.
- Some surges at the end of the year are artificial because of incomplete agency reporting throughout the year. For instance, we noted that the Environmental Protection Agency did not submit monthly obligations reports for some accounts until late in the fiscal year. This incorrectly causes the year end amounts to be high.



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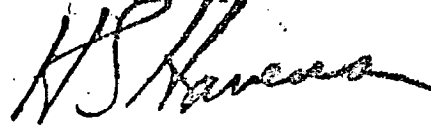
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In order to meet your requested timeframe, we have not analyzed the data and we have not obtained comments from Treasury or the eight agencies included in the schedules. Our final report to you will contain an expanded analysis of the 10 object classes that account for much of the year end surge in fiscal years 1977, 1978 and 1979. Treasury and selected agencies will also be given an opportunity to review and comment on the figures.

We hope that this information will be useful to you as a rough indicator of spending patterns. We will be happy to assist you or your staff in analyzing the data. Again, I would caution that it should be used only as a basis for asking further questions.

As arranged with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until May 1, 1980. At that time we will make copies available to interested parties upon request.

Sincerely,

A handwritten signature in dark ink, appearing to read "H. S. Havens", written in a cursive style.

Harry S. Havens
Director

Enclosures

cc: Mr. Fitzgerald - OCR w/out Enclosures
Mr. Wolin - PSAD " "
Mr. Havens - PAD " "
Mr. Myers - PAD " "
Mr. Hunter - PAD " "
Mr. Jenney - PAD " "
Mr. Hill - PAD " "

WHill:ch: 4/12/80