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Quarterly Report
September, 1959

Marvin Murphy

PROJECT: Establish Program Budgeting-General Direction of Budget and Foreign Aid.

In the later part of August I completed the design of the programs and activities chart and cost centers to be used for program budgeting in this agency. This work was done in cooperation and consultation with members of the O & M section of the Budget Direction.

In addition, I prepared a nine page, single spaced, report which covers in detail the explanation of the system and procedures and forms required to operate a system of cost-accounting and program budgeting in the Direction General. (This report was done entirely by me. I note that you asked this question on the note attached to the report). I also designed 6 forms for use in the system. In other words, the design of the system is completed.

This material, translated into Vietnamese has been turned over to the General Direction of Budget and Foreign Aid for study and review. If they understand it and accept it, or some modifications of it, all that remains to be done is the implementation of the system. This should take place next quarter.

Monthly Report

July, 1959

Project: Establish Program Budgeting - Dept. of Public Works.

This project has been inactive during month of July due to prolonged illness of Vietnamese staff member working with me on it. I expect project will become active in August.

MONTHLY REPORT

May, 1959

Marvin H. Murphy

Project: Establish Program Budgeting - Department of Public Works

Work has continued on this project at a satisfactory pace although we are running into severe technical difficulties and complexities.

We have had several meetings with Department personnel, including Mr. Duong, Secretary General of the Department. In addition, Mr. Thai has scheduled a meeting with the Secretary for Public Works.

We are at the point of trying to identify and assign costs to the various programs and activities. In order to do this Mr. Hiep and I are studying payrolls and the first quarter 1959 vouchers with a view to teaching the agency accounting personnel how to break down and distribute costs by program. The problem is that the organization structure of the D. G. of Public Works is so irrational from the point of view of functional

activities, the accounting system is so involved, particularly in the districts and provinces where work is carried out, and information is so lacking that it is almost impossible to identify and relate costs to activities.

MONTHLY REPORT

April, 1959

Marvin H. Murphy

Project: Establish Program Budgeting -
Department of Public Works

For the latest report on this project see
weekly report, April 25.

WEEKLY REPORT - APRIL 25, 1959

Marvin Murphy

Project: Establish Program Budgeting in Department
of Public Works

Up to this point progress on this project has been excellent. Through a series of almost daily meetings with Mr. Hiep of the Budget Direction, we have selected the Direction General of Public Works in the Department as the organization in which to establish program budgeting.

Mr. Hiep and I have developed a proposed structure of the programs and activities of the Direction General. This consists of eight major programs and thirteen activities. We have also made a tentative assignment of costs to these programs and where feasible, selected work units of production. In addition, we have worked out a design for presentation in the budget document and some model forms for keeping the accounts on the basis of programs.

We have had one general meeting with Mr. Son and Mr. Sang, administrative chief and personnel chief, respectively, of the Direction General of Public Works. At this meeting general concepts were explained and objectives defined. We also turned over to them the tentative structures and work that we had done. Currently they are reviewing and modifying it, to the end that we can establish an

acceptable final structure. However, they have been much slower in doing this work than we hoped.

In addition to this meeting with personnel of the Direction General, Mr. Hiep has worked with them informally several times a week. He has also discussed the project with the Director General of Public Works and with Mr. Duong, Secretary General of the department, and has gotten their cooperation. In fact, it appears that the leadership in the agency is sold on the project, but that the secondary level personnel, whom we must work with, are not as receptive.

Further progress must depend upon, and now awaits, action by the agency personnel.

MONTHLY REPORT - MARCH, 1959

Marvin H. Murphy

Title: Establish Program Budgeting - Department of Public Works.

A new project, to establish program budgeting in a selected organization within the Department of Public Works was started this month. It is believed that if program budgeting can be successfully established in one agency of the government, this can be used as a model and training area to further the general use of this advanced technique of budgeting.

Two preliminary meetings have been held with members of the D. G. of Budget, at which time the general scope and approaches to the project were agreed upon and the Direction General of Public Works was tentatively selected as the agency within the Department to serve as a basis for the pilot study.