

ment. Meanwhile, for the beginning of fiscal 1969-70 we will have introduced some of the revised coding and accounting procedures.

The Program Review for 1970-71 is already underway and is being carried out within the responsibility structure described here. The preparation of Main Estimates in the summer of 1969 assumes considerable importance in the new scheme of things. Posts and Divisions will, in effect, be drafting their own budgets for the next fiscal year. Since they will have to live within the final budgets that emerge, they will want to have a full understanding of what they are doing and to exercise great care in completing them.

Throughout the coming fiscal year we plan dry runs of the new Budget Reports and of the post financial telegrams to "de-bug" these procedures with the intention that they will be in place and operating properly for April 1, 1970.

Finally, depending on the speed with which we can get our reporting systems operating and can complete the various study projects, we should be able during fiscal 1969-70 to announce substantial delegations of expenditure authority to posts and divisions.

During 1970-71, we expect that posts and divisions will be operating under a full budgetary system and getting regular financial reports. Some items in the budget that require extensive preparatory work may not be delegated until 1971-72. By then we expect the system to be fully operational and the posts and divisions to be exercising full discretion regarding funds in their budgets.