



ADMINISTRATIVE MEMORANDUM No. 128 (revision 2)

SUBJECT: SYSTEM TO CONTROL EXPENSES (EARS)

This second revision of Administrative Memorandum 128 replaces Administrative Memorandum No. 128 (revision 1) in its entirety; supersedes all contravening provisions and practices of the OAS General Secretariat; and shall enter into force upon the date printed at the end of this document.

On December 1, 2015, the Secretary General issued a notification, revised on July 28, 2016, advising GS/OAS units of a system of controls to better align expenses with strategic objectives and reduce expenditures in a time of austerity. This second revision of Administrative Memorandum No. 128 provides updated instructions about the Expense Authorization Review System (EARS). The Secretary General makes all final decisions.

Summary of Changes

This second revision of Administrative Memorandum No. 128 incorporates changes based on our experience using EARS since 2016:

- Areas no longer require approval via EARS for **CPRs processed through the Results Based Contract System (RBCS)**, regardless of funding source. This change will reduce duplicative workload because areas will continue to process their CPRs through the RBCS, with the Secretary General approving all such contracts.
- The EARS system no longer requires the entry of the Program/Department/Operative Goals for requests.
- In addition, this Administrative Memorandum clarifies that the purpose of the EARS is to ensure executive oversight over GS/OAS spending, and is NOT intended to duplicate the internal controls inherent in other systems or processes.

The Secretariat for Administration and Finance (SAF) will appreciate additional constructive suggestions to make EARS more user-friendly and efficient. Please send your comments via email to SAF@OAS.org.

General Policy

This process applies only to requests for approval for costs included in OAS General Secretariat budgets and the spending plan. It is NOT intended as a means to request *additional* funding for new or existing programs or projects. Units seeking “reinforcement” funding should follow separate guidance from SAF about the proper format for those requests.

Expenses approved by the Secretary General remain subject to all existing GS/OAS controls and requirements that all procurements comply with the Procurement Contract Rules and the Performance Contract Rules. Approval via EARS does not commit the GS/OAS in any way. The EARS does NOT eliminate the need to process spending requests through other systems, including OASES (or its successor systems) and RBCS. For instance, if the Secretary General approves the purchase of specific goods, the Department of Procurement and Management Oversight (DPMO) must still issue the contract based on proper competition. Similarly, the EARS approval does not preclude areas from obtaining other applicable authorizations (i.e., for retroactive transactions) to complete the process.

For this reason, officers reviewing EARS requests should not perform oversight duties – such as checking OASES to confirm the availability of funds -- which duplicate the internal controls incorporated in other systems.

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

Automated System <http://services/ears/>

The Department of Information and Technology Services (DOITS) created and operates an automated system, the Expense Authorization Request System (EARS), to facilitate the control process. All units will continue to utilize EARS to submit these requests for authorization. This remains 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 officials who review these requests.*** Reviewers may contact the originating unit directly for further information concerning individual requests. Once the Secretary General makes a decision to approve or deny the requested spending, the officer who submits the request will receive an email notification.

If a request is approved, the email notification 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 or any other applicable system.

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).

The EARS system previously required the entry of the Program/Department/Operative Goals for each request. This is no longer required and DOITS will modify the system to delete this field.

CPRs (for Individuals and Entities) Irrespective of the Source of Financing

Effective with the issuance date of this Administrative Memorandum, there is no further requirement to submit requests via the EAR system for results based contracts for individuals (natural persons) submitted through the Results Based Contracting System (RBCS). The Secretary General reviews and approves/denies these CPRs after they are processed through the RBCS.

There is a continuing requirement to submit requests via the EAR system for legal CPRs. This category of CPR is processed through the CPR Legal Request system.

Specific Fund Spending Requests

For requested spending related to Specific Funds, in some cases donors require that the GS/OAS seek advance approval for certain expenses, especially travel. In these cases, when submitting the request, please include a note in the justification to confirm the donor approves the expense and whenever possible attach documentation to confirm the donor's approval (e-mail, letter, donor agreement, etc.).

Travel Expenses

(Note: this Administrative Memorandum does not alter the temporary Covid-19 pandemic-related requirements for travel approval by the Secretary General, which remain in effect until further notice.)

The current Travel Policy ([Administrative Memorandum 122 – Travel Policy](#)) stipulates the need for all units 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 GS/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](#). The Office of the Secretary General approves all travel requests via the EARS.

- Each area should continue to 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 or 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.
- When requesting approval for travel funded by a Specific Fund, areas must specify in the justification the relevant program number in the request. All travel using project funds must stipulate that the donor of the funds agrees with the proposed travel plan. The travel plan template includes fields for information on the Award/Project, if the donor approves the cost of the trip and if the requesting areas have available all the supporting documents justifying the trip. Areas managing projects funded through donor funds are responsible for ensuring that the funds are spent in accordance with the donor requirements, including travel. EARS travel plan approvals indicate the SG's concurrence with the travel plan, but do not eliminate any donor requirements regarding the use of donor-provided funds for the proposed travel.
- Areas remain responsible for informing the permanent missions to the OAS of the countries involved in the travel activities and the OAS National Offices in those countries (if applicable) of the visits. Please refer to [Administrative Memorandum 79 rev.5 Annex A.13](#).

- Once travel is approved, please include an electronic copy of the approval along with the travel-related requisition you submit to the Department of Procurement and Management Oversight (SAF/DPMO). DPMO will then create the purchase order. DPMO is not authorized to create a purchase order for travel without the required approval(s).

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 spreadsheet template. This spreadsheet has the same formatting as the form in the EARS. Once you complete your list of proposed travel using the Excel spreadsheet, you can copy and paste the information into the EARS. The current form can be exported from EARS by accessing the "Travel Details" tab, which is created when selecting "Travel" from the "Expense Type" dropdown selection.

Excluded Items

Several categories of expenses are not subject to this approval 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;
- Expenses related to utilities and office expenses at National Offices (routine cleaning and driving service contracts at National Offices are NOT exempt and must be requested via EARS);
- 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, IACHR Commissioners, and Fellowships;
- Honoraria for IACHR Commissioners and TRIBAD judges;
- Expenses incurred by the TRIBAD;
- Expenses incurred by the Inter-American Juridical Committee;
- *Ex gratia* and medical insurance to former Executives;
- Repayment of debt of the OAS building;
- Subsidies to Specialized Organs; and
- CPRs, irrespective of the source of financing, processed through the RBCS system.

A handwritten signature in black ink that reads "Jay Anania". The signature is fluid and cursive, with the first name "Jay" and the last name "Anania" clearly distinguishable.

Jay N. Anania
Secretary for Administration and Finance

Original: English
June 16, 2021