THE COUNCIL FOR TOBACCO RESEARCH–U.S.A., INC.
110 EAST 59TH STREET
NEW YORK, N. Y. 10022

December 17, 1974

Messrs. Thomas F. Ahrensfeld
DeBaun Bryant
Frederick P. Haas
Cyril F. Hetsko
H. C. Roemer
Arthur J. Stevens

Gentlemen:

Attached is a Special Projects Fund Summary as of December 16, 1974. In order to meet payments due in the first three months of 1975 and to maintain a small cash balance we need to replenish the Fund in the amount of $94,912.00. Following is a table indicating percentage allocations and company payments due to meet current cash requirements based on preliminary estimates of domestic cigarette sales for 1974 as published by John C. Maxwell Jr. under date of October 18, 1974:

	Approved by Six Companies		Approved by Five Companies		
Company	Percent	Amount	Percent	Amount	Total Amount
American Brands, Inc.	15.66	9,405	16.43	5,727	15,132
Brown & Williamson Tob. Corp.	17.32	10,402	18.18	6,337	16,739
Liggett & Myers Incorporated	4.73	2,840	-	-	2,840
Lorillard	8.29	4,979	8.70	3,032	8,011
Philip Morris Incorporated	22.61	13,579	23.74	8,274	21,853
R. J. Reynolds Tobacco Co.	31.39	18,852	32.95	11,485	30,337
	100.00	$60,057	100.00	$34,855	$94,912

We would appreciate your making payment at your earliest convenience.

Sincerely,

W. T. Hoyt

W. T. Hoyt
Executive Vice President

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LAW DEPARTMENT

COUNCIL FOR TOBACCO RESEARCH-U.S.A., INC.

SPECIAL PROJECTS FUND

BALANCE SHEET

DECEMBER 16, 1974

ASSETS

Cash Balance	$ 27,533.00
Contributions Receivable	-
	$ 27,533.00

LIABILITIES & FUNDS

Unexpended Appropriation for Special Projects		$ 184,978.00
Fund Deficit, 12/31/73	(82,599.00)	
1974 Dues from Members	252,534.00	
1974 Appropriations for Special Projects	(327,380.00)	
Fund Deficit, 12/16/74		(157,445.00)
		$ 27,533.00

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COUNCIL FOR TOBACCO RESEARCH – U.S.A., INC.

SPECIAL PROJECTS FUND SUMMARY

AS OF DECEMBER 16, 1974

Fund Deficit, January 1, 1974	$ (82,599.00)
Contributions Received	252,534.00
Contributions Receivable	-
Projects Authorized in 1974, Net of Adjustments and Refunds	(327,380.00)
	$(157,445.00)*

*-Represented as follows:

Contributions Receivable	$ -
Cash in Bank	27,533.00
Unexpended Appropriations	(184,978.00)
	$(157,445.00)

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THE COUNC[illegible]OR TOBACCO RESEARCH - U.S.A., IN[illegible]

Operating Expenses

January 1, 1974 to December 31, 1974

EXHIBIT A

	BUDGET	EXPENDITURES TO DATE	BUDGET DECEMBER	EXPENSES DECEMBER
Payroll Expenses				
Salaries (Exhibit B)	$420,450	$347,751.31	$35,038	$39,389.09
Payroll Taxes	25,850	23,509.18	2,154	902.68
Co. Voluntary Fringe Benefits	10,000	12,104.42	833	1,063.69
Pension	29,040	25,061.32	2,420	2,154.98
	485,340	408,426.23	40,445	43,510.44
Rental Expenses				
Office Space and Escalation	72,698	74,088.81	6,058	6,208.33
Real Estate Taxes	9,012	9,236.34	751	-0-
Safety Deposit Box	200	224.70	17	-0-
Photoreduction Equipment	8,000	7,971.09	667	123.40
Xerox 7000	14,000	11,359.68	1,167	718.20
I.B.M. Keypunch Machine	1,498	1,453.42	125	122.04
I.B.M. Keypunch/Verifier	2,022	1,967.28	169	165.24
Misc. Office Machines	100	-0-	8	-0-
I.B.M. Sorter	715	694.46	60	58.32
I.B.M. Microcopier	13,500	12,890.00	1,125	1,080.00
I.B.M. Interpreter	1,525	1,479.22	127	124.20
Dex/Telecopier Machines	1,575	1,872.87	131	348.83
Postage Meter	65	-0-	5	-0-
Xerox 4000	3,500	5,903.15	292	800.82
	128,410	129,141.02	10,702	9,749.38
Miscellaneous Expenses				
EDP Service Bureau	50,000	55,986.59	4,167	7,385.96
Office Temporaries	3,000	3,568.46	250	292.70
Recruiting Fees, Ads & Other	12,000	8,999.23	1,000	922.00
Telephone	7,200	8,614.80	600	933.85
TWX	1,000	1,149.82	83	96.86
Postage and Mailing	3,000	4,008.45	250	470.00
Messenger Service/Shipping	1,000	1,599.53	83	355.53
Translations	12,000	8,319.52	1,000	1,454.06
Management Expenses	11,000	12,592.35	917	1,368.23
Insurance (Office)	600	1,029.00	50	350.50
Memberships and Dues	300	130.00	25	41.00
Maintenance (Equipment)	1,500	1,875.61	125	310.37
Cleaning and Porter Service	1,500	2,316.87	125	1,387.70
Special Training Expenses	5,000	3,464.17	417	1,080.00
Miscellaneous Minor Expenses	5,000	2,186.97	417	(104.52)
	114,100	115,841.37	9,509	16,344.24
Library Expenses				
Journal Subscriptions	26,000	20,935.74	2,167	896.84
Reference Books	2,000	2,378.45	167	712.61
Library Honorarium	750	750.00	63	-0-
Offsite Xerox	1,800	1,581.84	150	10.15
	30,550	25,646.03	2,547	1,619.60
Stationery and Supplies				
Library Supplies	400	896.95	33	153.10
General Office Supplies	5,500	4,157.51	455	548.87
EDP Special Supplies	2,000	1,688.13	167	523.15
Xerox Supplies	4,000	2,531.40	333	-0-
Camera Supplies	400	300.03	33	-0-
Aperture Cards	5,000	3,539.58	417	-0-
User Services Expenses	7,000	7,415.92	583	6,119.18
Production Supplies	700	974.09	58	148.86
	25,000	21,503.61	2,079	7,493.16
Outside Services				
Accounting Services	5,000	4,127.50	417	-0-
Auditing Services	4,000	3,600.00	333	4,500.00
Legal Services	3,000	1,982.26	250	1,982.26
Other Consultants	25,000	20,726.17	2,083	1,825.00
EDP Payroll Service Bureau	2,000	615.71	167	59.58
	39,000	31,051.64	3,250	8,366.84
Furniture and Fixtures				
Miscellaneous Furniture	2,000	2,813.07	167	810.00
Miscellaneous Equipment	500	4,965.90	42	179.49
Leasehold Improvements	500	5,464.75	42	4,854.75
	3,000	13,243.72	251	5,844.24
Contingency	15,000	-0-	-0-	-0-
	15,000	-0-	-0-	-0-
TOTAL	$840,400	$744,853.62	$68,783	$92,927.90

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LITERATURE RETRIEVAL DIVISION
THE COUNCIL FOR TOBACCO RESEARCH - U.S.A., INC.

Balance Sheet

December 31, 1974

ASSETS

Cash in Bank and on Hand	$88,188.79
Security Deposits	270.00
TOTAL ASSETS	$88,458.79

LIABILITIES AND FUND BALANCE

Accounts Payable		$15,358.19
Accrued Expenses		15,520.75
Due to CTR		45,310.74
Total Liabilities		$76,189.68
Fund Balance December 31, 1973	$ 7,122.73	
Received from Contributions	750,000.00	
Less: Operating Expenses - Exhibit A	744,853.62	
Total Fund Balance		$12,269.11
TOTAL LIABILITIES AND FUND BALANCE		$88,458.79

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APPROVALS, PAYMENTS AND PAYABLES
AS OF DECEMBER 16, 1974

SUMMARY

ear pproved	Authorizations Net of Adjustments	Payments	Refunds	Commitments with Outstanding Balances: Amount	Commitments with Outstanding Balances: Year Due
966	231,623.00	231,623.00			
967	220,885.46	220,885.46			
968	210,177.00	210,177.00			
969	274,000.00	274,000.00			
970	85,953.00	85,953.00			
[illegible]	361,604.86	252,353.85			
9[illegible]	380,936.30	231,697.31			
9[illegible]	186,800.03 (2)	232,350.00	9,151.97		
974	327,380.00 (3)	364,494.00		27,533.00	1974
				157,445.00	1975
	2,279,359.65	2,103,533.62	9,151.97	184,978.00	

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DETAILS OF COMMITMENTS WITH OUTSTANDING BALANCES

P#	Name	Amount Authorized	Paid Prior Years	Paid 1974	Payable 1974	Payable 1975	Payable 1976	Total Payable
2R4	C. C. Seltzer	82,500 (1)	61,250	21,250				
2R5	C. C. Seltzer	50,000 (3)		25,000		25,000		25,000
6-B	R. J. Hickey	110,132 (2)		55,066	27,533	27,533		55,066
7	H. Selye	150,000 (1)	100,000	50,000				
1	T. D. Sterling Ltd.	61,420 (2)	30,710	30,710				
[illegible]	T. D. Sterling Ltd.	69,710 (3) (4)		34,855		34,855		34,855
[illegible]	T. F. Mancuso	24,400 (2)	14,400	10,000				
2	T. F. Mancuso	17,250 (3)		17,250				
3	L. G. S. Rao	10,000 (3)		10,000				
4	Mass. Inst. of Technology	10,000 (3)		10,000				
5	J. R. Carter	86,305 (3) (4)		46,305		40,000		40,000
6	E. J. Macdonald	60,115 (3)		30,058		30,057		30,057
7	J. H. Ogura	24,000 (3)		24,000				
		755,832	206,360	364,494	27,533	157,445		184,978

1) Projects approved in years prior to 1973 with outstanding balances.

2) 1973 authorizations: Total 195,952.00
Less refund of prior year project 9,151.97
186,800.03

3) 1974 authorizations: Total 327,380.00
Project participated in by five companies only.