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PROPERTY CONTROL
[NATIONAL ARCHIVES - REEL 33, FOLDER 85]

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WAR RELOCATION AUTHORITY
Colorado River Relocation Center
Preston, Arizona

Property Control and
Warehousing Unit

NARRATIVE REPORT ON PROPERTY CONTROL,
WAREHOUSING AND SUPPLY

F. M. Haverland
Supply Officer

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NARRATIVE REPORT ON PROPERTY CONTROL,
WAREHOUSING AND SUPPLY

I. CHANGES IN ORGANIZATION OF SUPPLY SECTION.

Previous to my appointment as Supply and Transportation Officer in December, 1942, the position had been held by Mr. Roy Potter and Mr. Harold Townsend. Mr. Potter was employed from nearly the beginning of the project until about six months before my appointment. Mr. Townsend served during the period between Mr. Potter's resignation and my appointment. My information on the Supply Section prior to my appointment is based upon discussions I had with others on the project. The Supply Section was originally established with the Transportation Operations integrated with the Supply Operation. The distance between Parker and the Center, the fact that the project operated warehouses at Parker as well as at the Center and the importance of the Mess operation and other supply functions at the beginning of the project were probably the reasons for such an organization. Procurement was not under the direction of the Supply and Transportation Officer until the beginning of Fiscal year 1944. Up to that time the Procurement Officer reported directly to the Chief Administrative Officer. After the Procurement Office was placed under the supervision of the Supply Office, Poston's organization was similar to that of other WRA centers insofar as the Section was concerned. As of January 1, 1944 the Colorado River Relocation Center was placed under direct control of the WRA instead of the Indian Service. Changes in administrative setup were made at that time so as to organize the Supply section exactly in accordance with WRA's other centers. The transportation and the warehouse functions were withdrawn from the Supply Office and placed in the Operations Division and under the Cost Accounting respectively. No further major changes in the organization took place until the beginning of the fiscal year 1945, when the Warehouses and Property Control were placed in the Supply Office to better meet WRA's program of "reserving materials" and establishing "stock levels".

II. MOTOR POOL OPERATION

The Motor Pool was established early in the program but did not carry too much authority because of the many localities from which the Indian Service furnished automotive equipment and because of the unsettled status of many persons who had brought automotive equipment to the project. In many cases, it was not known definitely whether the equipment and the personnel were to be permanently assigned to Poston. Garage facilities were furnished originally by the Colorado River Indian Agency using personnel of the Indian Irrigation and the Indian Road

Departments. Later a small garage and parts room was opened in the North warehouse building of the East bank of warehouses in Camp I. Thereafter a borrowed underground storage tank was installed just North of this garage so that a gas pump could be operated. These facilities were used until the new garage, East of Camp I entrance was ready for occupancy. The parts room was operated in the warehouse building until the parts were moved to the camouflage net cutting shed building. The Motor Pool was operated near the warehouse garage until Mr. Townsend was in office. It was then located across the main highway East of the Administration buildings. Because of the problems leading to the November "strike" on the project, the Motor Pool and Mess Operations were temporarily removed from the control of the Supply and Transportation Officer. By the end of the calendar year 1942 the transportation functions were returned to the control of the Supply and Transportation Officer and early in the next year, mess functions were replaced under the direction of the same officer again. During the interim, the Chief Administrative Officer had direct control of the two functions. There was no established bus service between Parker and Poston and it was therefore necessary to provide a bus schedule that would meet the trains at Parker. At first the bus line was handled by an appointed personnel. This procedure wasn't too satisfactory because the trains arrived about ten in the evening and six in the morning. Considerable overtime was accumulated on this work and the cost of operation was excessive.

III. WAREHOUSE OPERATION

The warehouse organization was under the immediate direction of Mr. E. S. Wickersham, Chief Warehouseman. Because of the lack of time in which to prepare for the evacuees and because supplies did not always arrive as desired, the project often found itself faced with unloading cooking utensils, dishes, beds, blankets, mattress covers, etc., from railroad cars and issuing them immediately to the evacuees without the benefit of a check through the warehouse to ascertain the quality or quantity of goods received. The railhead warehouses at Parker were not completed when the project opened and great confusion prevailed because of lack of trained help, adequate supervision or established routines. Shortage of adequate equipment for transporting materials and supplies from Parker to Poston also added to the troubles of the warehouse setup in the early days.

Around the time Mr. Townsend left the project an effort was being made to bring the stores cards of the warehouse into line with the stock and to establish prices on all items so that requisitions could be priced for the Cost Accounting Department. From this time until I left the project there were a great many systems tried to maintain stock control and cost accounting records. The sum total of the experience on these matters as I see it was that almost any system will work satisfactorily

if sufficient authority is given to the persons in charge of the stock records so that all the detailed work required can be handled. If the detailed work isn't cleared, the cost records are worthless. Maintaining stores cards with evacuee help was a problem because of the lack of interest by the evacuees in the work, because of the accuracy required which could not be secured from evacuees, because the great amount of work required a hard days work from all employees (contrary to some project jobs), and because of the pressure placed upon the stock clerks by the various requisitioners of materials.

Operation of the warehouses in three camps was a detriment to accurate stock control although it was a help in securing more efficient operation in the three camps. Unit Administrators in Camp II and Camp III were so situated that it was necessary that they exercise some measure of control over the warehouses although the responsibility for the stock was still vested in the Chief Warehouseman. Such a situation was unfortunate and did not tend toward a smoothly operating warehouse system. The warehouse problem was further complicated by the separation of the subsistence and general warehousing. Subsistence was assigned the warehouses nearest their office and thereby left a distance of a block between the warehouse office and the general warehouse buildings.

The inadequacy of the small warehouses also hindered warehouse work. In spite of planning, it was impossible to keep similar or identical items in any one location. A plan would be set up for the proper segregation of the materials but the smallness of the warehouses would invariably require the storage of part of carlot shipments in several locations. Then the volume of work being handled by the warehouse, the summer heat, etc., would prevent reconsolidation of like items.

Labor problems and pilferage were tremendous obstacles. The mental attitude of many of the evacuees, that is, "they put us here and everything is for our use" tended to increase the problems. The situation wherein many items useful in every day life were unobtainable by the evacuees through the usual channels and where many persons had no access to their home furnishings, etc., stored in California, engendered the habit of "appropriating" materials, supplies and equipment of the Project.

The evacuees would set up systems whereby definite employees would work only in certain warehouses or warehouse. The number of employees required under such a system was, of course, much greater than should reasonably be required. It is realized that one cannot work persons under conditions such as obtained at Poston and expect a normal days work, but my experience showed

that a much better standard of production per worker could be secured if the Project would have stood for a firmer more uniformly enforced policy of work habits. One certainly could not expect an evacuee to labor faithfully all day only to come home and hear his neighbors telling about wasting the day doing nothing for the same amount of reimbursement. I have felt that the greater portion of the blame lay with the appointed personnel, many of whom were very lax in supervising their employees thereby undermining the efforts of other appointed personnel who were attempting to do the work assigned to them.

IV. MESS OPERATIONS UNIT

Mess Operations were originally headed by Mr. Earl Best who had a rather stormy time in office. He was succeeded by Mr. Clifton E. Snelson who was succeeded about the first of calendar year 1945 by Mr. John Burdick. Warehouses for subsistence supplies were originally under the direction of the Chief Warehouseman but because of the lack of established procedures, inefficient evacuee help and other factors such as shortage of transportation and urgent need for utensils, equipment and supplies as they were received on the project, the organization did not function too effectively. To assist the Chief Project Steward in planning his requisitions and menus, control of the warehouses containing subsistence supplies was delegated to him. About January 1944, the project secured the use of the camouflage net buildings which were utilized for the storage of subsistence supplies. The net building warehouses were under the direction of a subsistence warehouseman, appointed personnel, who also directed the office work of the requisitions, stores cards and receiving documents. At the time I left WRA a fairly good control over subsistence stock had been developed through the efforts of Mr. Snelson and his staff.

Of all the departments of the project, the subsistence unit received the greater share of examination and discussion by evacuee and appointed personnel at the center. With so many and varied tastes, likes and dislikes, with the vital interest of every person in "meals", with the largest number of employees of any unit, with the greatest expenditure of funds and factors of such a nature, it is easy to see why the subsistence unit was constantly under pressure from all groups. Labor problems were so numerous as to not warrant discussion in less than a book length novel. One advantage the subsistence unit did have, however, over other activities of the project was that, because of everyone's interest in food, the kitchens would be staffed and dinners served even if nothing else on the project operated. One of the favorite tricks of the kitchen help was to "requisition" workers from other activities to "relieve" the regular subsistence kitchen employees even though the work schedules of the latter were arranged so as to require only a normal number of hours of work. When the number of kitchen workers dropped below quota, because of relocation or other causes, the blocks would adopt sterner

measures and substantially "order" persons to work in the kitchens.

V. EXPRESS HANDLING

Because of the ban on travel of the evacuees to and from the project and Parker, Arizona, because of the small size of the railroad station at Parker and because of the necessity for providing the service to the residents of the center, a so-called Express office was established in the Supply Officer's jurisdiction. The Express functions were handled by evacuees and provided a means for the shipment of freight and express to and from Poston. No regular appointed personnel was provided either under the Indian Office or the WRA for supervising the Express office and it may be said, to the credit of the evacuees, that although large sums of money and valuable goods cleared through the office, no serious complaints were ever registered against the work performed and no irregularities in handling the work occurred. Because of the lack of appointed personnel supervision, the Express office was a fine place in which the employees could loaf and play cards. It was possible to suppress open gambling but not to secure normal work habits.

VI. FORMS PROCEDURE

The Supply Officer was appointed Forms Officer for the center when that position was authorized by WRA. A clarification and simplification of project forms was secured through the Forms Officer. Fine cooperation was secured from the project as a whole on this matter.

VII. POSTAL SERVICE

Liaison with the U. S. Post Office was a responsibility of the Supply Officer. Postal facilities were supplied in the three camps but only Camp I had employees of the U. S. Postal Service. Camp II and Camp III post offices were run by evacuee personnel entirely. They purchased stamps, envelopes, etc., from the Camp I post office and resold them to the public in their respective camps. Money for Money Orders was taken at Camps II and III, brought to Camp I where the Money Orders were issued and returned to the originating camp. A mail delivery service was maintained in the three camps. Incoming mail was delivered in the morning and outgoing mail collected in the afternoon at the block manager's office. A truck took the mail to Parker and returned with the incoming mail.

VIII. OFFICE SERVICES SECTION

The Office Services Section, under the Supply Officer, handled all the project mail, incoming and outgoing, operated the mimeograph machines, kept a stock of office supplies conveniently located for the use of the administration, and operated the telephone, teletype and telegraph services. Evacuee operators were

used in Camps II and III with satisfactory results. Camp I main switchboard was operated 24 hours a day by appointed personnel. It was very difficult to maintain complete files of correspondence to and from the project as so many employees retained the various letters in their office files and did not follow through on the use of briefing slips. Teletype and telegraph service was handled without too much difficulty. For several years the evacuees could send telegrams from Poston by depositing funds to cover the messages with an evacuee employee of the project. Said funds were sent to Parker the following day. At the time I left the WRA, the telegraph company was demanding that funds covering evacuee telegrams be in their agent's hands before the messages were transmitted. This imposed a hardship on the evacuees because the project would not guarantee payment for personal private messages and it was necessary to delay telegraphic messages a whole day before they could be carried to Parker and sent from the telegraph station there. The importance of eliminating such a delay can be seen when it is realized that many of the messages were transmitting money to service men so that they could come to the project on their leaves. All delays cut into the leave of the soldiers.

IX. USE OF EVACUEE PERSONNEL, AND APPOINTED PERSONNEL PROBLEMS

Shortly after I took office, we started the policy of using evacuee drivers on the transports between Poston and Parker. The policy was a success and no trouble was encountered except for one burst of publicity from a California newspaper. Up to December 1942, the Motor Pool, the bus service, the mail trucks and the service stations were manned by appointed personnel. Subsequent to that time, because of budget limitations and a desire on our part to utilize evacuees to the greatest possible extent, these operations were handled by evacuees. During the remainder of my stay on the project, the use of evacuees in these responsible positions, some going to the town of Parker, which was at times "out of bounds", worked satisfactorily. A similar change was made in the warehouse office setup so that evacuees handled most of the receiving work. The impression must not be gained that the results secured from the evacuees were in any way comparable to normal results. The inability of the project to secure proper work habits at the wages paid was evident from the early days of the center, the evacuee leaders were reluctant to make themselves unpopular by demanding more efficient work because there were no real incentives to good leadership and the evacuees placed in the more responsible positions, because of their abilities, were usually the ones who relocated the earliest.

Suitable appointed personnel were hard to secure also. To be successful, the employee had to be able to get along with the evacuees without undue friction and to be able to keep working at their jobs in the face of many obstacles, shortages, prejudices and hinderances without becoming embittered. The

shortage of housing, recreation and health facilities caused much dissatisfaction and a large turnover in personnel. The turnover in personnel also brought on rapid rises in responsibilities and salaries for some people and in many instances caused friction and jealousy.

It is my opinion that much of the trouble with appointed personnel would have been avoided if better homes, recreation and medical facilities could have been provided early in the life of the project. A more stable staff could have been maintained and a more efficient organization could have been developed.

F. M. Haverland



WRA Warehouses at Parker, Ariz.

Railhead

1942

WAR RELOCATION AUTHORITY
Colorado River Relocation Center
Poston, Arizona

Examination Of
PROCUREMENT SECTION
Completed October 7, 1944

Prepared by:
Ralph W. Butterfield
Field Examiner

Procurement Unit

EXHIBIT
SUPPLY AND PROPERTY
PROCUREMENT SECTION

Examination started October 3, 1944, and completed October 7, 1944.

In making this examination the purchase orders and related contracts for the months of August and September, 1944, were reviewed. Some earlier contracts were reviewed for comparison.

1. It was found that there were a few violations of the requirement that all commitments be made by the Procurement Officer. These unauthorized purchases, confirmed by the issuance of purchase order, were made chiefly by the Road Engineer, Motor Pool Supervisor, and Construction Engineer. The Procurement Officer stated that in the beginning these violations were referred to the Project Director who allowed them and that when they were approved for payment the Finance Section insisted upon a covering purchase order. In time the condition resolved itself into issuing the confirming purchase order without bothering the Project Director with the matter. These violations were found to be few and not of a very serious nature and are pretty well under control.

A flagrant example of the making of a commitment by one other than the Procurement Officer has appeared in the examination of the Vouchers in the Finance Section under Section A, Routine 4. Exhibit No. B-9 attached is a copy of a supplement to Contract No. OEMlwra-40, together with pertinent correspondence which cover the laying of asphalt paving at locations and in amounts not covered by the original contract. The original contract executed on June 29, 1944, and under which work was completed in July, covered the paving of nine and one-half miles of highway. The work under this contract exceeded the estimated amount by the allowable 25%. However, while the equipment was on hand, the Construction Engineer, it appears from the records, gave the contractor permission to lay paving at various places in the camp. After the work was completed, the additional work was covered by a supplement to the original contract. This work having been performed in the fiscal year 1945 without a previous contract to cover, will have to be paid for from 1945 funds. The bill has not been passed for payment as yet, awaiting Washington approval and budget allotment.

2. The Procurement Office has a very complete, orderly, and up-to-date file of all surplus property lists which have been received from the Treasury Department, Interior Department, WRA Centers, Quartermaster Corps, and Indian Service, which are reviewed for possible acquisition of needed items.

In addition, local used equipment markets are solicited. A large portion of the equipment used on this Center was procured as used.

5. It was found that all purchases of over \$500 were covered by a contract and there is no evidence of split purchasing to avoid the provisions of subsection .7 of the Procurement Handbook.
4. It was found that the Procurement Officer has been very consistent in advertising for bids where time and circumstances would permit. Informal requests for quotations are used extensively for the purpose of entering into Negotiated Contracts. These are also used in the making of purchases in amounts under \$500.
5. The Procurement Officer corresponds with the Washington Office of only those agencies prescribed by the Handbook.
6. There was no evidence that exorbitant prices are being paid to secure scarce items. All purchase orders bear a citation to the requirements of ceiling prices established by the Office of Price Administration.
7. The Procurement Officer has a copy of the approved budget and checks it for approval of the purchase of restricted equipment as required. In the event of an emergency where a piece of equipment is required which has not been approved on the budget, the Procurement Officer, in collaboration with the requisitioner, prepares the request for approval for transmittal to Washington over the Project Director's signature.

The Procurement Unit maintains a very active follow-up of all purchase orders and requisitions with the exception of requisitions for subsistence items, which are handled by the Project Steward. A card tickler system is maintained chronologically according to promised delivery date. When delivery has been due for four or five days, inquiry is made in writing of the Property Control Unit as to whether delivery is made. This step is necessary due to the fact that according to the dates appearing on the Receiving Reports and date received stamps, it requires from two to six days for the receiving report to reach the Procurement Section. If the material has not been received, a mimeographed inquiry form is sent to the vendor, and the card advanced to the date when reply should be received. The purchase order files consist of individual folders contain-

ing the purchase information and purchase order arranged in numerical order. Although the Procurement Unit maintains a very efficient follow-up system, an exact duplicate is maintained in the Finance Section, Audit Unit. Here number four copy of the purchase order is filed in individual folders numerically where the invoices are received and kept. Upon receipt of an invoice the Audit Unit follows up with the Property Control for a Receiving Report to cover. This Unit also follows up with Property Control for delivery when due according to the terms of the purchase order, and, if not received, likewise sends an inquiry to the Vendor. As a result the Audit Unit in Finance is duplicating the prescribed follow-up function being performed by the Procurement Unit. As a result they are working at cross-purposes, making double work for the Property Control Unit and creating confusion with the Vendors in making duplicate inquiries as to delivery. It is recommended that the assumption of the function of follow-up made by the Audit Unit be discontinued at once and greater cooperation be established so that the Receiving Reports for material received be forwarded promptly. Not only is this arrangement an absurd and unnecessary duplication but the effect upon vendors is not conducive to good procurement relations. The ultimate result of this arrangement is that neither follow-up system is effective.

8. The Procurement Officer is thoroughly familiar with the provisions of the Finance Handbook. He has had a number of years experience in Government service principally with the Indian Service. Until the WRA took over this project, the Procurement Unit performed the complete function of procuring the materials, following through to delivery and matching the receiving documents with the purchase orders and invoices and preparing and certifying the vouchers. When the project was taken over by the WRA, this complete function was broken up in accordance with the provision of the WRA procedure and as a result, considerable jurisdiction and authority has been usurped by the Finance Section of responsibilities and authority of the Procurement Officer as will be brought out later. There being no Administrative Officer to coordinate the activities and define the limitations of authority of the various sections has left the Supply Section without recourse but to acquiesce to the demands of the Finance Section (See paragraph 11 below).
9. In checking the purchase orders for the months of August and September, it was found that purchases were made in accordance with the requirements of the Handbook with respect to the required, mandatory and recommended, etc., sources of supply. There are no exceptions taken.

10. It was found that all mandatory items were purchased from the required sources.

11. Purchase orders are prepared in accordance with the provisions of subsections .50 to .55 with the following exceptions and comments:

.51-G Open market purchase files which do not contain an informal quotation, do contain work papers and notes but these are rather sketchy. The Purchasing Officer has no doubt performed a normal transaction but the records are not very comprehensible to one not familiar with the transaction.

.52-A The Contract Number is shown in the block in the upper left hand corner indicated as "per your quotation" and no reference is made to it in the body of the order as prescribed.

.53 Purchase orders are routed to the Finance Section for "certification as to availability of funds and coding of limitation, allotment, and objective classification symbols". However, at this Center, the Finance Section has assumed the authority of making the commitment by requiring the Procurement Unit to forward with the purchase order, the purchase file for use by the Audit Unit in making a complete audit of the purchase transaction, before the Finance Section will post the obligation. This extraneous procedure practically emasculates the Procurement Unit as a contracting unit and strips the Procurement Officer of the authority to make commitments. If the purchase transaction is not completely understood by the Finance Audit Section, the order is brought back by a representative of the Audit Unit for explanation. Under the circumstances no attempt is made by the Procurement Unit to audit its own orders and any little detailed correction required is effected by the Audit Unit returning the order for correction before it will be passed for obligation. After the Finance Audit Unit is satisfied that the Procurement Officer has made a proper commitment the order is passed for obligation. This procedure requires an average of three days to complete, delaying the mailing of the order. Furthermore, several purchase files have been lost and since they are shuttled back and forth between the two offices, no one knows what became of them and no one can be held responsible. It is recommended that this procedure be discontinued immediately and that the function of checking its own orders be restored to the Procurement Unit and that

the duty of checking for propriety, availability of funds, limitations, allotments and symbols, be the sole responsibility of the Finance Section.

Furthermore, the Finance Section has requested the Procurement Officer to place the following certificate on all purchase orders issued against a contract:

"The prices shown herein are in accordance with contract cited, and I certify that the conditions thereof are correctly stated".

This certification is purportedly designed to relieve the Audit Unit of the necessity of checking the orders against TPS contracts or others which they may not have on hand.

- .53-A (1) a. Certified invoices are used in nearly all cases. 1034's are used for orders for subscriptions to newspapers and periodicals and where the vendor does not ordinarily have invoice forms of his own.
- b. Check transmittal slips, Form BOM-392, are not used.
- c. Notice to Vendor, Form WPA-235, is sent out but very few are utilized by the vendors. Some have been returned as invoices.
- (2) a. This Center is so located that Land Grant benefits are to be had for practically all shipments and GBLs are used extensively. These are sent out with the orders and only in case of emergency purchases made by telephone or teletype are they used for conversion at destination. Accomplishment of the GBL's is performed in the Procurement Unit.
- b. Tax Exemption Certificates are kept and issued in the Finance Section. They are issued at time of payment of the invoice.
- c. Ration checks and records are kept in the Procurement Unit and checks are issued at time of payment of invoice with the exception of gasoline. Checks for gasoline ration points are issued weekly on a summary made of deliveries for the week (See Section B, Routine 1).

Requisitions are registered as received and filed in individual folders until bids or quotations are received. These are filed numerically. At time of preparation of purchase order, the requisition and related documents are transferred to the purchase order file which is maintained in the follow-up section numerically. There is also a manual register of the purchase orders issued. Both the registers and the files of the requisitions and purchase orders could be combined into one. These files and registers are adequate for reference purposes.

12. (1) Copies of all numbered contracts are filed numerically and copies of all unnumbered contracts are filed alphabetically.
- (2) The Procurement Officer's idea of a negotiated contract is one executed by negotiation after it has been determined that materials are not available by the competitive method or that there is a proven single source of supply or that it is to the best interest to the Government to secure supplies or services at a more convenient source. The Procurement Officer uses the informal request for quotation form in arriving at the best source for negotiating a contract.
- (3) Contracts are found to be prepared in accordance with the requirements of the Procurement Handbook and are quite complete in every respect. Although the Handbook provides for the method to be used in cancelling a contract, it is noted that no provision is made for inserting a cancellation clause in the contract at time of execution. The Procurement Officer includes such clause in contracts. It is noted that the following certification is placed on all contracts which appears superfluous to the Examiner:

"I hereby certify that to the best of my knowledge and belief, based upon observation and inquiry, L. Varni, who signed this contract for (Vendor) had authority to execute the same, and is the individual who signs similar contracts on behalf of this corporation with the public generally".

The fact that the acceptance was signed by the Procurement Officer thereby executing the contract should be sufficient evidence that he was satisfied with all conditions of the contract including the validity of the signatures thereon.

13. (1) Procurement documents are distributed satisfactorily to all interested parties with the exception that Finance retains copy 4 of the purchase order in addition to copy 2. Copy 6 of the purchase order is held in Property Control as a file copy. The warehouse holds copy 7 for its file. A copy of the receiving report is sent to Procurement for all deliveries on purchase orders instead of copy 6 at time order is complete.
- (2) Center incoming requisitions are registered manually and numerically (Exhibit No. B-10). However, after a page is filled manually, it is typed for permanent register. This duplication could be eliminated by registering neatly in ink manually. Requisitions to other agencies are registered and prepared on OEM-41, a prenumbered document and a separate register is maintained numerically for these. QMC-400 requisitions are registered in the purchase order register and given a purchase order number. The OEM-41 requisitions are filed in individual folders by the pre-numbered document number and when purchase orders which are issued by the purchasing agency are received, they are filed with this requisition and a combination follow-up and cross-reference card file is maintained (Exhibit B-11). Purchase orders are likewise registered manually and when a page is filled, it is again typed for a permanent record. The same form is used for registering OEM-41's as is used for registered manually and when a page is filled, it is typed for permanent record. This register cross reference to the Purchase Order and invitation (Exhibit B-13).

Unnumbered contracts are registered chronologically making reference to the purchase order and invitation (Exhibit No. B-13).

Bills of Lading are registered as shown in Exhibit No. B-14.

- (3) The system offers ready access to the documents desired. The contract section contains ten file sections in which are filed the numbered, unnumbered TPS, QMC circulars, Indian service circulars, Post Office Envelope contract, War Department Contracts, surplus property lists, TPS stock catalogues, Vendors' catalogues, telephone directories, and any other information which might furnish a source of supply. One of these sections is devoted to filing of requisitions to other agencies and Field Procurement Office. The purchase orders are kept in another group of files together with requisitions to the QMC.
14. (a) Pending requisition files are current but could contain a little more information and a little more orderly.
- (b) Pending vendors files are current, fairly orderly and the

informal purchase files could contain a little more information.

- (c) No attempt has been made to arrange the completed files in any uniform order. This could be improved upon.
 - (d) Contract files as shown above are very neat and orderly.
 - (e) The follow-up tickler file is the same file as the pending vendor file. In addition to this, a card record is maintained of orders according to vendor, alphabetically. This record is kept in a Kardex section.
 - (f) The numerical register files are not maintained as such but as shown above constitute a vendor pending file in numerical order.
15. All the items listed in this Section are on hand, current and kept in an orderly fashion.

CONCLUSION AND COMMENT

As a whole this Procurement Unit is doing a very good job. This office employs eight evacuee girls who are well disciplined and industrious. Each employee has an understanding of the general procedure of the whole office and of the duties and functions of the individual positions. It is the opinion of the Examiner that the Finance Unit has assumed the authority of final approval of the Procurement Officer's action for the reason that the Certifying Officer is in the Finance Section. Such procedure, however, reduces the position of Procurement Officer to purchasing clerk who can only make a tentative agreement until final approval by Finance. This procedure defeats the purpose of maintaining a Procurement Unit as a contracting unit although the Procurement Officer signs the contracts and purchase orders. It is recommended by the Examiner that the Procurement Unit audit its own purchase orders as outlined in the Handbook before the orders are transmitted to Finance regardless of how much audit that Section makes. This would eliminate many minor corrections required by the Audit Unit and eliminate petty criticisms. The general function of this Unit could be improved with a single number system for its files, eliminating several steps now employed.

Comments on Examination by Mr. Ralph W. Butterfield,
Field Examiner, October 3-7, 1944
Section B - Supply and Property
Routine 2 - Procurement

1. Violations of the requirement that commitments are to be made by the Procurement Officer. From the very beginning while under the Indian Service and later the W.R.A. the Procurement Unit has protested violently against the practice of anybody on the Project incurring obligations without the knowledge or consent of the Procurement Officer. Dealers in the Phoenix area with whom we have been doing business have been instructed in the past by letter and verbally not to furnish anything to anyone from this Project without a written order or definite instructions from the Procurement Officer or his authorized deputy. Memoranda have been sent out on numerous occasions to Division and Section heads not to make any commitments without the consent of the Procurement Officer. Even those steps did not altogether correct the evil. I feel that now, with the support of supervising administrative officers, which in the past had not been any too good, we have the control pretty much in our hands. Copy of our last memorandum is attached, which we hope produces results. After an irregular commitment had been made, the Procurement Unit did conscientiously endeavor to straighten out the matter in the interests of the Government and to protect the good name of the department and service.

7. Follow-up system. The follow-up system maintained in the Finance System is not exactly a duplication of the Procurement Unit system. Before a transaction is completed all dealings with a contractor are naturally handled by the Procurement Unit. Finance's follow-up only relates to invoices or claims, errors and settlements of accounts. The Procurement Unit frequently assists Finance whenever we can and our responsibility is apparent. Frequently, Finance asks Procurement who should handle a case and we then determine the steps to be taken. I don't think we need change our systems, or methods of cooperation between the two units, unless it would be to speed up the "follow-ups" in disputes and perhaps determine more definitely who shall take the initiative and follow it through to completion. It is quite true that vendors are often confused as to whom they should contact. I believe that one unit should carry a case through to completion, assisted by all other units concerned, unless it gets beyond the competence of that unit. The present Assistant Project Director is fully determined to have control and I am sure that future actions will be effective.

11-

.51-G A great many quotations which are finally reduced to open market transactions (contracts not being required due to cost) are made

over the telephone and the work papers are somewhat sketchy. It has been our endeavor to have the file complete for the benefit of future auditors and for our own protection. Omissions, however, do frequently creep in. I am not too apprehensive about paying exorbitant prices in view of OPA maximum price regulations, the purchase order requirements and terms, and the further fact that we still have control of the account. With respect to contracts, I have always contended that the contract file should reflect all the steps leading up to the final action, namely, the issuing of the purchase order. Through misunderstandings of clerks, some of the papers are filed with the purchase order and the balance with the contract. We hope we have corrected that practice. We also intend, spare time permitting, to go through past purchase order folders, and transfer essential documents to the particular contract folder.

- 14 (c) Completed purchase order files are filed numerically and can be easily located; however, in a few instances they have been removed for study to assist Finance in settling a claim that has been questioned. In those cases they would be on some clerk's desk or in Finance. That might account for a lack of completeness at some given time, but I do not understand the criticism of the Examiner that the files are not in uniform order, unless at the time of the examination some of the drawers in the file case were not arranged in sequence - they are now in any event.

CONCLUSION AND COMMENT

I agree with the Examiner's comments, and have so stated in my foregoing comments, that the Finance Section has assumed certain authorities or prerogatives not delegated to it. Being a certifying officer myself, I know how they feel, but commitments with respect to the defined duties of a procurement officer are his sole responsibility. Finance rarely questions our contracts; it has in some instances questioned the method of transportation authorized by Procurement. Finance has attempted to audit purchase orders against contracts; it has also refused to accept purchase orders because of simple minor errors which could easily be corrected without passing the document back and forth and delaying its transmission to the contractor. As stated before, we are auditing our purchase orders and expect them to be in good order when submitted to Finance Section for their action as prescribed.

January 18, 1945.

Procurement Officer

Comments on Examination by Mr. Hupp R. Douglass,
Field Examiner, October 11-18, 1944
Section B - Supply and Property
Routine 1 - Supply and Rationing

The following comments are made to the exceptions taken by the Field Examiner insofar as they relate to supply and rationing procedures in the Procurement Unit:

At the present time a Supply Officer has not yet been appointed and no action has been taken to control stock and to follow the procedures outlined in the Supply Handbook. However, it is believed that with the appointment of a Supply Officer the errors, omissions or incorrect procedures noted by the Field Examiner will be corrected. Very little consolidation of requisitions has been possible because of the varied requirements of the different activities. Attached is a copy of our last memorandum, No. 65, respecting advance quarterly estimates. It is hoped our suggestions will do some good and result in quicker processing of requisitions.

Priorities

Extensions of priority ratings have been discontinued at the request of the Washington Office.

Rationing

Exceptions taken to the manner in which gasoline coupons for off-project use are noted. The system of recording issuances of coupons has served the purpose. However, it may be improved by a consolidation of forms for recording purposes. A revised record form has been devised. The Procurement Unit has endeavored to cooperate with motor maintenance employees to give them information as needed for their records. This has been done voluntarily without instructions or orders from the Project Director or others. Information which may be desirable is available, even though not recorded on one form or place, with the exception of mileage. That has been difficult to secure from the traveler, sometimes due to automobile defects. However, the Motor Pool has maintained mileage records and the two units can eventually get the facts. We have had some trouble in getting the travelers to promptly return Service Station credit cards and the unused coupons. Repeated personal requests and memoranda have been necessary in some cases. At every time a coupon book or credit card has been issued, the traveler has been personally requested to return the same immediately upon return to headquarters, and the traveler has been handed a small form to aid in our recording of essential travel data. Attached is sample of the form. In many cases we have to rely upon the word of the traveler and we have assumed that he is honest. However, for verification of his statements we have access to service station delivery slips, Motor Pool mileage record of the particular automobile, and the travel authorization showing the places to be visited, from which we can determine whether there was improper use of the facilities given the traveler.

The control of shoe rationing certificates is still maintained in the Relocation Office. The account for coffee, which is no longer rationed, is being closed out. Copies of letters transmitting checks for ration points to vendors are being submitted regularly to the Budget and Accounts Unit to complete their records. Because of the constant value change of ration points, no attempt is made to settle for points until the vendor makes his claim for point values, whereupon a check is made against current OPA lists, copies of which are received in the Procurement Office regularly. I do not believe that practice need be changed - we still have control and there should be no errors. The record of issuance of ration points is now kept up to date, with better supervision of the clerk handling the record. It is recognized that signatures on ration checks should not be by proxy and that practice has been discontinued. I wish to make a further comment upon the present practice of issuing ration checks after receipt of the vendor's invoice and claim. We would rather not rely wholly upon the purchase order, or contract, or receiving document, but upon the facts as shown by the certified invoice - few corrections will then be necessary. I do not believe that practice is unbusiness-like.

January 18, 1945.

Procurement Officer

Prepared for the Procurement Officer

by Ralph W. Butterfield, Field Examiner