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FINANCE SECTION  
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WAR RELOCATION AUTHORITY  
Colorado River Relocation Center  
Poston, Arizona

Library Washington 3

NARRATIVE REPORT

FINANCE SECTION

PERIOD COVERED FROM  
INCEPTION TO Jan. 1, 1945  
AND WASHINGTON CLOSURE  
BY R. C. GOETTING, JR.  
ASSISTANT FINANCE OFFICER

PERIOD COVERED FROM  
Jan. 5, 1945 to Center Closure  
BY JOHN E. CONNOLLY  
FINANCE OFFICER



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1.

WAR RELOCATION AUTHORITY

COLORADO RIVER RELOCATION CENTER, POSTON, ARIZONA

1. Historical Development:

The Colorado River Relocation Center was situated on the Colorado River Indian Reservation, about 17 miles Southwest of Parker, Arizona. Being so located agreements were entered into with the Bureau of Indian Affairs and the Colorado River Indian Agency, regarding Land Utilization, Fixed Assets, Construction, Operation and Maintenance, Water and Power Utilization, and Administration.

The Indian Service, entering into the Project Administration, issued various directives, handled appropriations, and allowed use of Indian Service funds in many instances, pending receipt of Emergency Funds. During this period the Center was considered an Indian Service Unit, but operated under two appropriations, two purposes of use, and two accounting systems.

Because of these agreements and organizational arrangements, the Financial operations on the Center began under an extremely difficult situation. Following is an outline of the first organization together with a brief description of the operation and duties. It should not be construed to be accurate as to the organizational intent of the officers responsible at that time, as they left the War Relocation Authority and have not contributed to this report. However, having been on the project since June 22, 1942, and employed in various capacities in the Administrative Division until closure of the Center, the writer feels it is essentially correct.

A. The Project Director in charge of the Center was supported by assistants of several Divisions, among them the Chief Administrative Officer. In turn the Chief Administrative Officer was supported by Assistants in charge of various sections, among them the Finance Officer, whose responsibilities included the sub-headings shown:

1. Cost Accounting Unit

- a-Evacuee Timekeeping and Payrolling
- b-General Ledger Controls
- c-Expenditure Distribution

2. Budgetary Accounting Unit

- a-Allotment Ledgers
- b-Obligations-Liquidation
- c-Budget Control

3. Disbursing Unit

- a-Agent Cashier
- b-Voucher preparation-Scheduling



The Cost Accounting Unit and the Budgetary Accounting Unit maintained separate records for the Emergency WRA funds and the Indian Service funds, but the Disbursing Unit handled both types as a single operation, utilizing single numerical sequence for documents, regardless of fund designation. There were at times single vouchers prepared, reflecting payments from both funds. This required posting clerks to examine each document carefully for recording in the proper books and the proper accounts. With inexperienced clerical help, errors were above normal and required considerable review and audit work.

B. In 1943, a revision of Finance Procedure was made, which upon completion, resulted in the organization consisting of the following:

1. Cost Accounting Unit

- a-Evacuee Timekeeping and Payrolling
- b-General Ledger Controls
- c-Expenditure Controls
- d-Stores and Property Accounting  
(Warehouse remained in the Supply Section)

2. Budgetary Accounting Unit

- a-Allotment Ledgers
- b-Obligation - Liquidation
- c-Agent Cashier
- d-Budget Preparation  
(Under Administrative Officer)

3. Routing and Audit Unit

- a-Voucher Preparation - Scheduling
- b-Routing and Examination of Finance Documents

The changes reflected above in Cost Accounting were important to the control of Supplies and Equipment, and relieved the Technical Property Warehouse men of a relatively large amount of paper work to which they were not accustomed.

The changes reflected in Budgetary Accounting was the transfer of the Agent Cashier Operations from Disbursing which was discontinued by that name.

The establishment of the Routing and Audit Unit was from the Disbursing Unit and incorporated a document flow record and examination operation to facilitate and co-ordinate operations of property documents, purchase documents, and disbursing documents.

These changes brought a closer tie among sections in several respects; however, much of the value was lost due to having a large bulk of work concentrated in one office, which tended to delay operations of other Units.

C. On January 1, 1944, the War Relocation Authority assumed full operation, and the Indian Service withdrew from any administrative control. Settlement of agreements in regard to property and fund accounts were necessary, and a great deal of work was required. Disputes arose governing disposition of



property and handling of the reimbursement of borrowed Indian Service funds. The documents being processed on each fund in the manner of borrowing were audited and checked against reimbursements made. As a result, the WRA and USIS records reflected that the USIS was indebted to the WRA. This result was allegedly due to the questionable intent of work performed by WRA for the USIS and vice versa, as interpreted by various employees of both organizations. It was felt by the Accounting Sections of both WRA and USIS that, reviewing the source documents would not reflect any different result without an administrative determination being made on each document as to whether the charge was properly chargeable to WRA or USIS. With this decision, the matter was turned over to the Central Offices for an administrative determination. As a result of this audit no direct cash settlements were made, and it is the writer's understanding that certain investments of WRA were released to the Indian Service without exchange of funds by Appropriation language of Congressional Authority.

In general, the period of WRA finance at Colorado River, from the time of inception until December 31, 1943, could not be considered strong. In the writer's opinion, the main factors contributing to the weakening of the operations, consist of the following, which are covered briefly:

1. Clerical Assistance. The use of the evacuees, in clerical and accounting work, was not conducive to a successful operation due to general inexperience, lack of interest, constant turnover, and a mental attitude confused with personal difficulties of their own. This does not mean that all should be classed in the above, as a fair percentage of them were actually very good. The difficulty was in retaining the services of qualified evacuees when relocation was actually our purpose. The use of a great many of the appointed staff was devoted to training evacuees in the hope and effort of accomplishing the work simultaneously. By being required to train inexperienced help, an insufficient time was available to properly analyze organizational problems, much less time to correct them and institute changes. Many changes were made which tended to confuse the clerical help. As time went on, the more experienced workers relocated and a gradual change was made to younger and less experienced ones until a majority of the workers were High School students. A slight increase in appointed staff occurred occasionally until at closure a staff of all appointed personnel existed. As the staff transformed, it required a smaller number to accomplish the same job and with a greater degree of accuracy. We were not without our problems, but a streamlining of procedure and staff facilitated the work to a point where actual closure proceedings were well controlled. It is the opinion of the writer that had a well balanced staff with clerical experience been employed from the beginning many of the difficulties would have been eliminated, and could have been accomplished with less expense. The intent of the policy of requiring evacuee help be employed in various capacities is not being questioned; however, from strictly a finance viewpoint, the service which should have been available to the operating divisions and sections did not exist until personnel changes and the transformation mentioned above was made. This took shape within the last 15 months of the Center operations.



2. Operational Relationships. The relations with other Sections and Divisions on Finance problems, requirements, and importance of documentation, was quite strained in the early stages. This was due to a great number of Social Workers inexperienced in sound business management, and, particularly Government operations. There seemed to be little effort on either side to even make an attempt to bridge the gap and coordinate efforts to a single end. The writer feels that in bridging such a gap, the Social and Welfare Workers would require a better working knowledge of Finance controls. This is based on the fact that in their work a great latitude of operation is exercised while in Finance many limitations are enforced by Congressional Law, Bureau of the Budget, General Accounting Office, and the Central Office of the Bureau involved. With this better understanding, the original Budget Program presentation would alleviate subsequent difficulties. As stated in paragraph I, "Clerical Assistance," insufficient time was available to properly analyze organizational problems, in which Operational Relationships played a major role. Had this occurred, the feeling, in some quarters, that Finance was a hindrance, would not have existed.

Towards the latter part of the Center operations, this situation improved considerably, but with the pressure of relocation, the goal was not entirely reached.

#### A. Historical Development

##### 1. Structure

###### a. January 1, 1944 to January 31, 1945

Finance Officer  
Budget and Accounts  
Cost Accounting

###### b. February 1, 1945 to closing

Finance Officer and Assistant Finance Officer  
Audit and Examination Unit  
Accounts Unit  
Expenditure Analysis Unit

(Change: Budget and Accounts Unit was dissolved and two units established along with Expenditure Analysis.)

##### 2. Administration

- a. The finance officer is responsible for all planning, organizing and supervision of policy and procedures as set forth by the finance handbook. He acts as liaison with other division and section heads in all policy problems involving finance and general administration of project in an advisory or consulting capacity. He secures approvals ordinarily reserved by assistant director of administrative management and project director; and plans, organizes and supervises work of the finance section as a whole, maintaining direct contact through the assistant finance officer with the three units. Planning and corrective operations are maintained through weekly meeting of the three unit



heads, finance officer and assistant finance officer.

- b. The assistant finance officer's duties are to carry out the program prescribed; to act as a consultant to the finance officer in matters pertaining to finance operation; to act as liaison between unit heads and finance officer; to assign work; to supervise the execution; to review all reports; and to continually check progress in an effort to minimize difficulties experienced with peak loads. His duties include the handling of detail promulgation of procedures emanating from policy decisions. He attends weekly administrative management division staff meetings with finance officer to assist with reporting of progress and problems encountered.
- c. The accounts unit is headed by Donald J. Hagerty; the examination unit is headed by Norman B. Cobb and the expenditure analysis unit is headed by Albert E. Cuberly.
- d. An evacuee records sub-unit has been established in the examination unit to cover the maintenance of time cards, notices of assignment, payrolls, leave records, basic family cards for preparation of clothing allowances, relocation, travel and public assistance grants, and is geared to the acceleration of relocation activity.
- e. All appointed payroll records were transferred from personnel management in April, 1945 and are now being maintained in the examination unit. These comprise payroll, leave record, retirement, bond deductions and tax withheld.
- f. Agent cashier functions are expanded to meet acceleration due to increased relocation plans.
- g. General ledger, allotment ledger, registers and subsidiary accounting are now strictly emphasized in the accounting unit, as audit and disbursing are emphasized in examination unit.
- h. The expenditure analysis unit is being reduced in work procedures and with the evacuee unit coordinated with audit, emphasis is being placed on reconciliation and cost data is analyzed.

B. ULTIMATE ORGANIZATION AND RESPONSIBILITIES

The term of my employment as finance officer began on January 5, 1945, at which time I succeeded James W. Shepard, who had resigned. It was necessary at that time to attend a conference



at Denver, Colorado with the assistant project director, Maurice Lipian, for the purpose of general discussion and revision of certain procedures of financial operation as designated in the WRA finance handbook. On my return to Poston, January 15, 1945, I took over the full responsibility of the finance section and proceeded to make a complete survey of the section as to personnel and status of workload.

Beginning February 1, 1945 the revised procedures of the new finance handbook were put into practice. There was at this time a large back-log in all units of the section. First of all, it was necessary to reorganize the operating units and their functions to agree with the revised finance operations.

Section "A" preceding outlines the reorganization of the section on February 1, 1945. To supplement the listing of responsibilities of the finance officer; all budget estimates are prepared by the finance officer and his assistant and submitted to the Washington office for approval. Complete budget control is maintained at all times by the finance officer through the fiscal accountant in charge of the accounts unit.

#### C. PERSONNEL AND WORKLOAD

Nineteen appointed personnel and 70 evacuees were approved under the budget requests, but although we average about 19 appointed personnel we never averaged better than 35 evacuees. With the exception of about 15 steady workers, there was an ever-changing picture of evacuee personnel which necessitated constant training periods. By the first of June it was necessary to stop posting evacuee leave cards entirely due to the lack of personnel. Time cards and notices of assignment were a constant problem due to ineffective timekeeping on evacuee labor. With the acceleration of relocation it was necessary to inform appointed personnel supervisors that they must certify all time cards before we would honor them for payment. This certification was made thereafter.

The back-log on leave records for evacuee employees was eliminated by using high school students during July and August. These students were furnished by the center evacuee administrators through our personnel office.

By January 18, 1946, all evacuee payrolls, clothing allowances and leave records had been processed, completed and vouchered for payment through the Regional Disbursing Office. All public assistance, resettlement and relocation grants which had been approved for payment were also completed. There will remain, of course, some inquiries from relocated evacuees about the non-receipt of checks. These inquiries will have to be reviewed by the Washington office. In most cases, failure to receive checks has been due to change of address after relocation. However, in some instances, the amount of payment on the public assistance and resettlement assistance grants has been questioned, some of these grants having been reduced because of lack



of funds to pay the original amount scheduled for payment. These reductions were made by the relocation program officer, Corlies Carter. There have also been some requests for payment of time worked by evacuees beyond the period reported by section timekeepers. In some of these cases the supervisors have left our employ and we have no evidence in our records to substantiate the evacuees' claims. Evacuee payment have now been completed in accordance with the records in our possession.

D. FUNCTION OF SECTION BY UNITS

1. Accounts Unit

The functions of the accounts unit are budgetary accounting (allotment and ledger), control accounting (general ledger), encumbrances and obligations of commitments, fund accounts, investment and inventory accounts. All required reports on the above activities originate in the unit. The objectives of this unit are to provide a control of allotted funds and general ledger control of all subsidiary expenditures analysis ledgers, sales of project produced goods and control of collections and all agent cashier's funds and records. (Refer to Exhibit 1, narrative-historical report furnished by the fiscal accountant in charge of this unit, Donald J. Hagerty for complex problems and their subsequent solution.)

Because of the problems constantly confronting the finance section in regard to maintenance of payroll records, it became necessary to take over the maintenance of payroll records from the personnel section during April, 1945. Previous to this time all payroll records were maintained by the personnel management section. Exhibit 2 covers the background of the maintenance of Individual Earning Record Cards and their reconciliation with applicable general ledger control accounts.



8.

EXHIBIT I

WAR RELOCATION AUTHORITY  
Colorado River Relocation Center  
Poston, Arizona

PERSONAL NARRATIVE - HISTORICAL REPORT  
OF THE ACCOUNTS UNIT IN THE  
FINANCE SECTION

NOVEMBER 25, 1945

D. J. Hagerty  
Fiscal Accountant



A. Introduction to Finance

The writer was employed for the position of Assistant Cost Accountant in the Cost Accounting Unit of the Finance Section: however at E. O. D. on October 23, 1944 he was detailed by the Project Director to the Statistical Section as Acting Statistician. This detail continued until the latter part of December, 1944 when, due to the transfer of the Fiscal Accountant in the Finance Section to another Agency it was deemed necessary to place the writer in his correct Section. However, since the Assistant Fiscal Accountant was acting as Fiscal Accountant it was decided to give the writer the duties of the Assistant Fiscal Accountant rather than those of the position of Assistant Cost Accountant. This was done and the writer entered on duty in the Finance Section, Fiscal Accounting Unit, with his sphere of duties and responsibilities limited to the Account Sub-Unit.

B. Background in the Finance Section

As the writer saw it, the organization of the Finance Section was as follows:

Under the Finance Officer the Section was divided into Fiscal Accounting and Cost Accounting Units, each with positions of Accountant, Assistant Accountant, Jr. Accountant, a few appointed clerks and a large number of evacuee employees. In addition there was an Agent-Cashier and an Alternate Agent-Cashier apparently responsible to the Fiscal Accountant, also with evacuee help. The Finance Officer and each of the Units were physically separated as to office location and, it became apparent, as remotely situated as far as coordination of duties and responsibilities were concerned. The Fiscal Accounting Unit embraced the usual Auditing and Accounting functions as well as a few others under a single head but even here the Unit actually operated as three, i.e. Audit, Accounts and Agent-Cashier with very little coordination, each maintaining separate files of the same documents, etc. The Assistant Fiscal Accountant, who was supposed to direct the operations of the Accounts Sub-Unit, served as the Certifying Officer and actually occupied most of his time with the matter. The Auditor who directed the activities of the writer's actual entrance into the Finance Section, the Section was reorganized with a Finance Officer, Assistant Finance Officer, An Accounts Unit (with the writer as Fiscal Accountant), a Cost Accounting Unit, An Audit Unit and an Agent-Cashier Unit, the last responsible to the Assistant Finance Officer.



C. Background in Accounts Unit

The writer found the Accounts Unit activities to be actually directed by the Jr. Fiscal Accountant who also served as Alternate Agent-Cashier. The personnel consisted of the Jr. Fiscal Accountant, an appointed Fiscal Clerk (who resigned within a few days) and approximately a dozen evacuee employees.

None of the employees, appointed or evacuee, could be considered experienced in fiscal operations. The evacuees were simply "trainees", some of ability, but lacking even the minimum of adequate supervision. Since the Jr. Fiscal Accountant also served as alternate Agent-Cashier and was the sole supervision it was a physical impossibility for that person to oversee the many complex and voluminous records which the Finance Handbook required to be maintained.

The records at that time consisted of:

1. The General Ledger, with nearly 75 accounts, many of these broken down by different classifications and limitations, cost accounts and subsidiary accounts. At least three separate registers, formed journals of original entry to this General Ledger, in addition to numerous journal vouchers prepared by the Cost Accounting Unit and Agent-Cashier transactions which were entered directly.

This complex and voluminous record was maintained by an evacuee clerk who was always "snowed under" with postings and consequently there was no time to subject the ledger to periodic audit and reconciliation. Various control accounts were not properly supported by subsidiary ledgers and where such subsidiary ledgers did exist (as in the Cost Accounting Unit) the two were not in balance.

2. The Allotment Accounts, with separate ledger accounts for each objective classification and for many activity Accounts under each of the former. These Allotment Accounts which were supposed to control the obligation and/or expenditure of funds were also maintained by inexperienced evacuee clerks and the maintenance of the records so far in arrears that it was necessary to use worksheets in addition to reflect unobligated balances for obligation purposes. The unliquidated obligation balances shown by the accounts were, in very few instances, in agreement with supporting document files, although the evacuee account clerks were supposed to have "run" adding machine tapes each month for that purpose which they "filed" in their desk drawers for future reference.



Practically every ledger account required establishment of a "dummy account" to reflect errors in appropriation and/or limitation cited on vouchers and, for which adjustment vouchers were required to be submitted to the Regional Disbursing Officer and the General Accounting Office.

3. As stated above for the General Ledger registers of original entry were maintained for obligations and for receiving reports charged to inventory. Here again due to inexperienced employees and lack of supervision the registers were not properly maintained nor were prescribed controls used to insure that the accounts effected in the General Ledger would be in agreement with the required subsidiary records.
4. Finally the document files were in chaotic condition and no systematic or logical organization was in evidence. The unliquidated obligation files were maintained in such a manner that it was impossible in some cases to prepare a trial balance for reconciling purposes. The documents themselves were to a great extent only tissue copies of the original and these had been handled so long and often that they were frayed, torn and at times unrecognizable. Not long before the writer assumed control of this Unit an examination had been made by the Washington staff and their report was extremely critical of its operation, especially of the manner in which files and document records were maintained. A particular comment was that the knowledge of the Units Operation existed only in the "head" of the staff and was not reflected in the records.

Such were the circumstances in brief as the writer found them.

#### D. Analysis of Job Accomplishments

The background presented above was in itself indicative of the job to be done in the Accounts Unit. An attempt is made below to outline the progress, obstacles and accomplishments in connection with the various problems encountered.

##### 1. Personnel

Obviously the staff of the Unit needed strength in the form of additional appointed personnel or an replacements for the evacuees who were relocating increasingly. The departure of the evacuees in itself was a blessing as there were too many of them to adequately supervise and train in view of the turnover existing. However, to replace them with



experienced fiscal clerks proved to be just as great a problem and the result was that the writer was required to accept whatever appointed employees the Personnel Section furnished through recruitment or transfer. These employees required complete training in fiscal functions and in varying degrees were not satisfactory due to their previous background and lack of aptitude for fiscal work.

In a number of cases the evacuee employees were more adaptable to fiscal work but could not be classed as satisfactory due to being "close mouthed" about their duties which made it difficult to learn exactly how they were maintaining their records. Also they resisted suggestions for changes and improvements and considerable time elapsed before the writer could gain their confidence enough to make any progress.

## 2. Accounting Problems and Accomplishments

The Washington examination report served as a guide generally as to what was wrong and needed correction. Also effective February 1, 1945 the Finance Handbook Sections covering Budgetary and Control Accounting were revised and the Cost Accounting Unit function reduced to a comparatively simple Expenditure Analysis Operation.

### a. Obligation files

A start was made with the unliquidated obligation document files and the necessity to balance them with the Allotment Ledger Accounts. This required reorganization of the files, "dressing up", the preparation of face sheets as well as the actual reconciliation work. Typed trial balances were prepared for the first time as far as evident and checked back against the ledgers.

After approximately two months of this it could be reported that the document files and accounts were in balance and they have been maintained in this condition since. The job was completed none too soon as the Washington office requested a listed trial balance of unliquidated obligations as of March 31, 1945, complete with item descriptions. These obligation files contained many documents, however, which did not represent valid commitments against the government and which needed to be cancelled. Some effort was made along this line but in main the job had to be deferred at the time because of more pressing problems.



One of the important problems in obligation file maintenance was the volume of documents processed and the practice had been to obligate each document separately. This was done with each Government Transportation Request and Bill of Lading and resulted in a huge file of documents, usually a tissue copy of the original. To prepare trial balances of these obligations regardless of the system employed, was a great time consuming task. As the Handbook did not specify the exact method to be used, a system of "blanket" obligations on a monthly basis was substituted for Government Transportation Requests whereby the individual "memorandum" copies were applied against an estimated amount for one month's operation. The "memorandum" GTR's, bearing the "blanket" obligation number, was then placed in a numerical file maintained in the Audit Unit awaiting payment. The month to the exact amount of the GTR's remained until liquidation by vouchers.

This method proved so satisfactory and resulted in such a saving of time that it is believed it should be used in any similar circumstance.

b. Budgetary Accounting (Allotment Ledger)

The revision of the Handbook simplifying the Accounts afforded an ideal time for the reorganization of the Budgetary (Allotment) Accounting system which was sorely needed, even through the changeover created additional work and an encumbrance liquidation system was added by the revised procedures.

The daily worksheets used to base obligation approvals on were eliminated and with the time saved the allotment account posting were brought up to date so that it was only necessary to refer to the accounts themselves to determine the status of funds.

Correct "dummy accounts" were established in the many instances necessary to reflect errors on vouchers.

The writer also prevailed upon the various officials and offices to furnish actual "form" copies of obligating documents in place of the "tissue sheets" theretofore used.

The revised procedure provided that all obligation and expenditure documents be routed to the new Expenditure



Accounting Unit for posting and then to be returned to the files prior to report time. Difficulties in that Unit resulted in a stoppage of work and it was found necessary to withhold the documents, and return them to the files immediately in order to prepare reports, when affected by difficulties in another unit and unfortunately it was necessary in this instance to ignore the operations of the other Unit in order to continue the Accounts functions.

A system of preparing Allotment Ledger reports directly from the Accounts resulted in a saving of time. Also, a division of responsibility between two individuals for the maintenance of Control and Activity accounts insured that the Allotment accounts were in balance when the end of the month was reached and reports were due in Washington.

The revised Budgetary Accounting procedure as prescribed was generally a simple and workable system and for that reason it has been possible to operate it very nearly in accordance with instructions.

The encumbrance of requisitions and their liquidation upon receipt of the Purchase Order was in many instances a duplication of work since the Purchase Order was often available at the same time, as the requisition. However it did afford protection to the Procurement Office, who previously, was often in a position of writing Purchase Orders of which funds were not available.

Also requisitions were established which did not result in Purchase Orders and for which notice of cancellation was not received. However, this was also true of obligations as many instances have been found where the Procurement Office marked their copies "cancelled" and failed to notify Finance. Perhaps it may be said that the "encumbrance procedure" was a cumbersome one but desirable because of the lack of knowledge on the part of the operating sections and divisions as to their budget limitations.

The procedure provided that the unliquidated obligations by controlled by a system of "checks" on the ledgers from which a trial balance could be prepared and balanced with the file. This system was considered slow and difficult due to partial payments, volume of entries, etc. and, instead, trial balances were prepared from the document files and balanced with the ledger totals.



The most serious handicap in Allotment Accounting stemmed from the practice of "operating divisions" making supplemental budget requests without clearing such requests through Finance. Many times requisitions and/or obligations were presented for which Finance did not have the necessary Allotment Advice or teletype authority. Although the Finance Officers repeatedly attempted to remedy this situation, the practice of submitting these requests directly continued and often resulted in asking Washington for funds when unencumbered balances were available and only "purchase authority" was required.

c. Control Accounting (General Ledger)

As has been indicated, the General Ledger was large and complicated, and although, the Handbook revision of February 1, 1945 eliminated such accounts as those for Production and Construction, Expenditure Clearing, Deferred Expenditures Cost of Sales, etc., it did add certain direct entires from documents. An instance of this was in connection with S. F. 1064, Schedule of Disbursement, which now required four separate entires for each document. It is believed that as far as possible entries to the General Ledger should be made on a monthly basis through appropriate registers.

The General Ledger was based on a standard system of accounts (government) modified for the agency's use to some extent, and, as revised on February 1, 1945 at least, should have been a workable system. However, it should also be noted in this connedtion, that the errors and omissions which existed in the General Ledger as of the date of the revised procedure were carried forward of necessity in closing out the accounts which were eliminated. This was due to the fact that the situation responsible for the errors and omissions existed and continued from the establishment of the General Ledger of January 1, 1944, as indicated elsewhere below. While the instructions for closing and/or transferring the Accounts as of February 1, 1945 prescribed that they be analyzed as a previous step, this had to be deferred at the time because of the remendous detail involved, the pressure of current work, lack of qualified personnel, etc.

Fund Accounts

The maintanance of this groups of accounts was chiefly a matter of internal control and therefore may be con-



sidered the most satisfactory to operate and the most successfully performed portion of the control accounting. Previously 03.1, Undeposited Collections was posted simultaneously with the Collections Accounts. This was corrected to provide for posting from Office Receipts to reflect undeposited money in the hands of the Agent-Cashier. However, the Pro Forma entries in the Handbook Collection items, which, under the present procedure, are entered only at the time they are transmitted to the Regional Disbursing Office. It is felt that such collections should also be reflected in 03.1, Undeposited Collections to show the Collection Officer's responsibility for cash on hand.

All entries to this group of accounts were on an individual document basis and the multitude of postings required was a heavy burden and kept the ledger clerk "swamped". This was particularly true of Office Receipts.

#### Investment Accounts

The warehouse accounts under this group were adjusted to the Property Control cards during March and April of 1945 and controls finally established through use of Form WRA-111, Daily Inventory Balance, which has been maintained since. This control has been difficult to maintain because the Property Control end was delegated to clerks who had little understanding of the function, among whom "turnover" was great, and who required constant "education" by Finance, consuming much valuable time. In fact in practically all cases except routine receiving reports it was necessary to dictate the entries involved.

The control for the Mess Warehouse was even more difficult, the Forms WRA-111 always in arrears, entries were improper, documents often missing and in the case of issues usually incorrect. In addition, when information or documents were requested by Finance and stalemate would exist in the Mess Section or a stoppage of work occur which would delay the monthly closing of the General Ledger. At the end of several months "Adjustments" were indicated on the Forms-111 which required further arbitrary entries to the General Ledger account.

Aside from the difficulties in Control Maintenance, a fundamental weakness in the warehouse accounts was the lack of knowledge that the subsidiary property cards actually balanced with the control figures carried on the Form WRA-111.



The accounts for such investments as Land and Fencing, Buildings, etc., have not reflected the correct value of the Assets, due, in part to the apparent impossibility of obtaining original construction costs for the physical plant and further to the fact that Job and Production orders existing for later construction (and remodeling work) were not completed by the Cost Accounting Unit and the value of such assets established in the General Ledger.

Subsidiary ledger accounts were established for Accounts Receivable Sundry, in addition to the existing bill file because it was found difficult to balance the account from the latter alone as bills were often removed from the file and misplaced, etc.

The Accounts Receivable for subsistence and quarters was especially difficult to operate satisfactorily because of the dependence on the payroll preparation functions for reductions of amounts due. Errors and omissions on the payrolls, and the lack of billing advice for items where reductions were not possible, necessitated constant reconciliation of this Account. In order to avoid trouble of this nature, each Form 201 Statement of Payroll Reduction, should be balanced and reconciled with applicable payrolls before released.

#### Account 40 Expenditures

Maintained to show operation expenses, was not in balance with supporting subsidiary accounts as of February 1, 1945 and would require reconciling from July 1st of 1944 to the former date. Further, when the Production and Construction Accounts were closed to Expenditures, it is known that various uncomplete Job and Production orders existed in the Cost Accounting Unit, representing cost values of Assets which should have been transferred to the Investment Accounts.

#### Liability Accounts

Among the accounts included in this group were encountered some of the problems most difficult to solve. 60.1 Accounts Payable, was established on February 1, 1945 from old accounts 49, Expenditure Clearing, and 91.30 Unvouchered Expenditures, Accounts Payable both of which had never operated correctly and consequently the new account did not reflect in any way the true



accrued and unvouchered expenditures. Since the pressure of current work did not permit the detailed analysis of the old Account 49, the new account was adjusted to approximate correctness on the basis of unpaid receiving reports and other obligations. Further adjustment in this account would be required if it is to come out "even" when all accrued expenditures are vouchered. The Sundry and Inventory Register had not been operated correctly since their establishment (all obligations had not been posted) and consequently the unvouchered amounts reflected by these registers were not correct. The "check off" system prescribed by the Handbook is not considered adequate to reflect outstanding accounts payable and only a good file system of unpaid receiving reports capable of being balanced, along with other obligation documents, with General Ledger Account would be satisfactory. In this case the vendors file containing unpaid receiving reports was maintained in a separate Unit.

Subsidiary Accounts were established for Special Depositor's Accounts as prescribed; however difficulty was experienced in liquidating the accounts as the amounts deposited were not always used in making applicable expenditure vouchers, necessitating subsequent adjustment vouchers.

The account for Federal Tax Withheld occasioned much more additional work than would have been required if it had been possible to balance the account directly with the S. F. 1102, Employee's Earning Card. The underlying difficulty was in the maintenance of these subsidiary accounts divorced entirely from accounting operations. Since a satisfactory solution of this problem could not be effected it was necessary to repost all payrolls to "spread sheets" by individual name to achieve a balance with the General Ledger, file correct returns and issue accurate employee statements. Similar difficulties were experienced with the Retirement and Bond Accounts.

#### E. Conclusion

It is not possible to comment on every item or activity of the Accounts Unit without undue volume; however it is believed that sufficient instances have been given to indicate the general nature of the problems encountered in the accounting operations. It should be emphasized that many of the problems were inherited, and at a time when the Authority was really entering a



period of liquidation with its attendant difficulties; consequently it has not been possible to give some procedures a fair test or rectify errors in other instances. Where criticism has been offered it has been with a constructive purpose; to suggest or point out what might be necessary to avoid similar difficulties in a like situation.



EXHIBIT 2

History of the Maintenance of Forms 1102  
Individual Earning Record Card, and  
Reconciliation with Applicable General Ledger Control Accounts

Several of the problems encountered in reconciling Forms 1102 were common to all of the accounts: Tax, Bond, Retirement and Subsistence and Quarters. Among these were the inability to secure the Earning Records for a sufficient length of time each month to perform the required reconciliation; the Payroll Unit was constantly using them as worksheets in payroll preparation. Further, one complete file of the cards was not maintained and there was no assurance that all the cards were accounted for, assuming they could be secured in the first place. Finally, the entries made to the cards were not identified by Bureau Voucher No., Schedule No., etc., which would enable a point of balance to be determined. Other difficulties are enumerated in the following sections.

Withholding Tax Account

Forms W-2, Withholding Tax Receipt, for 1944 were prepared by the Payroll Unit from Forms 1102 for each employee and triplicate copies of the receipt forwarded to the Accounts Unit for submission with the last quarterly and annual return for the 1944 tax year. The originals were mailed or distributed directly by the Payroll Unit to the individuals.

The sum of these triplicate copies was compared with the total of the quarterly payments made to the Collector of Internal Revenue as based on General Ledger account entries and it was found that the figures did not agree by a wide margin. Attempts to localize the discrepancy by rechecking the Earning Cards was not successful as it was discovered that the form did not reflect all payments and adjustments as made on payrolls. If it was necessary to cancel a check, the entry in question on the Form 1102 was simply erased and the corrected figures inserted. The required entries from adjustments on payrolls were ignored as far as Form 1102 was concerned, although such entries were made in the General Ledger accounts for Tax, etc. Further, it was found that the Forms 1102 were not maintained on a cash basis; if a supplementary payment was made for 1943 the entry was made on the employee's 1943 card according to the earning period; consequently when the Forms W-2 were prepared for 1944 the entry for Tax was naturally overlooked. Also entries appeared on the Earning Cards which did not appear on payrolls but were included, however, on W-2's.



Realizing that the account could not be reconciled directly from Forms 1102 and that considerable time would be necessary for an alternative method, a tax return was filed with the Collector stating that reconciliation would be accomplished as soon as possible.

Obviously the Tax account could only be reconciled by determining the correct individual amounts through an analysis of payrolls for the entire year.

An attempt was made to do this by reposting entries to individual worksheets from payrolls, utilizing a considerable number of clerks on nightwork, but difficulty was experienced in effecting a control and eventually the project was abandoned in favor of a spread sheet system. This was carried on without extra help utilizing any time which could be spared from current operations. Eventually a reconciliation was achieved and amended returns filed with the Collector's office in September of 1945.

In order to avoid similar difficulties with the 1945 Tax, worksheets were initiated early in the year and postings made from payrolls as time permitted. This still did not reconcile the General Ledger account periodically with the Forms 1102, but did provide a means of verifying individual deductions when the end of the calendar year was reached.

The work involved was in effect a duplication of that spent in the Payroll Unit in maintaining Forms 1102 but under the circumstances proved the only satisfactory method of operation.

#### Retirement Account

Exactly the same problems were encountered in attempting to reconcile the Retirement Account as in the case of the Tax Account, with only Forms 2806, Retirement Record Card, substituted for Form W-2, Withholding Receipt.

Further, the same method of reconciliation was finally adopted, i.e. to analyze and repost all payrolls involved to spread sheets by individual name. This was begun for the fiscal year 1944 and continued through the end of the Finance operations.

On the basis of these worksheets for the fiscal year 1944, it was discovered that many of the entries to Forms 2806 for separated employees were incorrect when the forms were certified and submitted to the Civil Service Retirement Division, resulting in both under and over payments of refunds to individuals.



Further, the entries by fiscal year to Form 2806 were not made in accordance with the fiscal year during which the deductions actually took place and credited to the General Ledger account; consequently it was necessary to revise these forms prior to the preparation of Annual Summaries and Register of Appointments and Separations.

Retirement records were not maintained currently; Forms 2806 were not prepared at the time of the individual's employment and fiscal and personnel action entries made as required. Rather, it was the practice to prepare Form 2806 only at the time a separated employee submitted a request for refund and in some instances this request was forwarded to the agency through the Civil Service Retirement Division. This resulted in the errors described above since there was no way to verify the accuracy of entries in such cases due to the fact that the Forms 1102 were not in balance with the control accounts.

#### Bond Account

Inasmuch as the Bond Account was a continuous one, without regard to fiscal or calendar year, any attempt to reconcile this account directly with Forms 1102 was even a more hopeless task. During the early part of 1945 a tape was run on what was believed to be the open bond accounts as reflected by Forms 1102, but without any margin of success. Consequently, due to the lack of help and because any available time in the Accounts Unit was being utilized in reconciling the Tax and Retirement Accounts, the job of balancing the Bond Account was necessarily deferred until the liquidation period. Obviously this account presented more difficulties than the others because of the additional factors involved.

Through what could be gained from earlier employees, an impression was formed that the Bond Account had never been reconciled. However, during the liquidation period when attempting to find a starting point for the work, a reconciliation as of March 31, 1944 was discovered in the vault. These worksheets not only provided a detailed list of the open accounts as of that date, but also a list of separated employees with unrefunded balances amounting to a total of approximately \$2000. Apparently no action was taken when the reconciliation was completed to dispose of these balances. Also accumulated at the time was a number of accounts where bonds had been issued in excess of payroll deductions which were not cleared by subsequent action.

This reconciliation of March 31, 1944 had been made from an analysis of documents in much the same manner as used later in reconciling Tax and Retirement. With it as a starting point and a further list



of documents as provided by the General Ledger, the reconciliation was carried forward through the close of bond deductions, resulting in an additional list of unrefunded accounts, etc.

Subsistence and Quarters

To relate the difficulties in connection with this account would be a repetition of much of the above material as far as the maintenance of Forms 1102 were concerned. However, it was noted that in many instances where payroll reductions would not be made for some reason, the amount due for subsistence and/or quarters was allowed to remain on the Earning Card without appropriate billing or other advice which would clear the controlling ledger account.

D. J. Hagerty  
Fiscal Accountant  
Account Unit  
February 7, 1946



## 2. Audit and Examination Unit

The functions of the audit and examination unit are the audit and examination of all documents prior to vouchering for certification and payment by the Regional Disbursing Office. These functions operate in three sub-units as follows:

### a. Voucher Sub-unit

Audit, preparation and vouchering of all carrier bills, bill of lading and all purchases of material and supplies. Travel authorization, travel vouchers and government transportation requests are also processed by this sub-unit.

### b. Appointed Personnel Payroll Sub-unit

Preparation and maintenance of all earnings records, leave records, bond accounts, retirement accounts, tax deduction accounts and preparation of payroll vouchers for all regular and hourly workers.

### c. Evacuee Payroll Sub-unit

Preparation and maintenance of all clothing allowance, public assistance and relocation grant documents and records. Maintenance of time cards, earnings records and preparation of payroll vouchers for all evacuee personnel working on the project.

## 3. Expenditures and Analysis Unit

The functions of the expenditure analysis unit are to maintain an analysis by activity and expenditure through subsidiary ledgers of the general ledger all cost records of motor pool, mess, buildings, etc., and make monthly reports to Washington on cost records.

## E. PROBLEMS AND SOLUTIONS

A problem of duplication confronted the finance section with regard to the relocation of evacuees during the period of August 1, 1945 to November 25, 1945. The situation developed through the lack of control of Form 303 issued for payments of relocation grants and subsequent government transportation requests issued for the transportation of relocating evacuees. All grants and train lists originated in the relocation division.



Form 303 relocation grants were originated by individual relocation advisors after interviewing the evacuee. The relocation grant Form 303 was approved and forwarded to the finance office for payment by the agent cashier. A duplicate of each 303 was filed in the relocation leave office as a control for the purpose of preventing duplication of issuances. Train lists were prepared from original 303 forms. From this train list a Form 33 was issued by the relocation leave office to the finance office for the issuing of government transportation requests.

The government transportation requests were returned to the relocation leave officer who arranged for the purchase of the railroad tickets. The purchasing of railroad and bus tickets was made by the relocation leave officer and the subsequent distribution of these tickets was made to the evacuees by that office.

The system broke down in operation as described above inasmuch as, when departure dates were changed, in some cases new forms 303 were issued without cancelling the previous forms and therefore some duplication of payment was made. Fortunately, however, these duplications of payment were recovered before closing out our records.

Unfortunately, however, the government transportation request situation was not so easily solved. There was obviously poor control by the leave office with regard to cancelling government transportation requests when departure dates of evacuees were changed. Incomplete records were maintained as to listing of cancellations and substitution of other evacuees on group tickets. The finance section became aware of this lack of control about the first of September and held a meeting with the railroad officials and the relocation officer in order to set up a proper system of controlling cancellations and substitutions on daily departures. A system was agreed upon but it was soon evident that it was not operating. It became necessary on September 18 to go to the project director with the request that we take over complete control of the transportation control of the relocation leave office. This request was not granted but a compromise ended in our taking over the 303 duplicates and checking all 33 lists of departures against them to prevent duplicate payments of grants and adjust duplication in issuances of government transportation requests by collection. From September 18 all government transportation requests were issued by the relocation leave officer and she was responsible for the issuance, purchase and distribution of transportation to evacuees.



The result was that because of the repetition of names (although one evacuee could only depart once) it was obvious that continued cancellations and substitutions were being made without being reflected on the 33 list.

Because our records reflected duplications which in most cases did not actually exist, it was necessary for me to check the complete set of 33 lists against the departure records. This revealed that no changes were being made daily in the 33 lists due to cancellation or substitution of evacuees.

After auditing our records, I made a trip to Las Vegas, Nevada, headquarters of the bus company. I succeeded in reducing many government transportation requests and, in some cases, completely cancelling the GTR, because it was discovered that although we were billed for payment by the bus company, these GTR's had either not been traveled on, or only part of the people had either not been traveled on, or only part of the people designated to travel had actually done so. A revision of travel by bus was made and agreed to by the Las Vegas, Needles & Phoenix Stage Lines and their bills were ready to be honored.

The same conditions applied to the travel by the Atchison, Topeka and Santa Fe Railroad. I went to Los Angeles, reduced a number of the GTR's and received approval from the railroad company.

To summarize, I would like to say that poor control was maintained on GTR's by the relocation leave office. For example, if a group GTR was written to cover twenty people to Los Angeles and only ten people traveled on that GTR, the GTR was very seldom reduced to the proper number of people who actually traveled. I saw some GTR's billed in full when only used in part. I must state that apparently the railroad company made little effort to effect any reductions, but billed us in full, seldom making any attempt to check their conductor's report as to how many people traveled. However, this was more the responsibility of our relocation leave office than the railroad's.

For any further operation handled by the relocation division, such as payments of grants and transportation of people, it is my belief that it is absolutely necessary to establish a control desk over which these documents may pass before processing, in order to avoid any duplication. As to the relocation leave office, the solution of its problem in regard to cancellations and substitutions of GTR's lies in control, but an absolute checking of the evacuees boarding the train against an approved train list, subsequent adjusting of the GTR and covering lists on Form 33 to conform with the changes.



27.

Exhibit 3 is a narrative record made by the finance officer, assistant finance officer, authorized certifying officer and reviewing officer covering the difficulties encountered in controlled transportation of evacuees from the center.



EXHIBIT 3

Narrative Record of Circumstances  
Regarding Evacuee Transportation as Reported  
by the Finance Section

November 2, 1945

Discussions were held with the Relocation Program Officer on several occasions regarding control of transportation of evacuees. Upon the increase of departures about the middle of August, the irregularities in handling the listing of evacuee departees on request from Relocation for issuance of Government Transportation Requests were discussed in view of the established procedure dated May 12, 1945. A portion of this is reflected in Relocation Bulletin No. 14. On several occasions discussions were held in regard to items requiring more control and Mr. Connolly suggested during the middle of August, that Ralph R. Drennen be utilized in departure checking and also as a Liaison Control Employee, as his efforts were already in planning procedure for Relocation. Following further along the Control Desk establishment, we allowed Charles Sledge, a new Finance employee, to be detailed for this purpose August 29th, but prior to his actual reporting to Relocation, a person was employed and specifically assigned to Relocation for this purpose. However, a Control Desk was never established, the employee being assigned other duties.

On September 6, 1945, Mr. Connolly and Mr. Goetting attended a meeting in the Relocation Program Officer's office with Mr. Osborn of the Atchison, Topeka and Santa Fe Railway to discuss transportation problems, among them the operation and use of transportation requests. Mr. Goetting suggested in this meeting that checking onto the trains individually to insure proper use of transportation requests, in his opinion, was the best method of control. In this manner, transportation requests and tickets could be adjusted to cover actual use. He, also, offered to assist in organizing group destinations at the station, but was informed it would be unnecessary as Relocation personnel had been assigned.

During this same period, we discussed the short time allowed Finance to process properly the documents pertinent to Relocation and suggested a schedule of operation. The result of our suggestion is the seven-day plan reflected in Relocation Division Bulletin No. 16, dated September 10, 1945. This plan was to allow time for verification in Relocation as well as Finance.



Within a short time, we, still dissatisfied with the results discussed with Relocation the possibilities of relieving them of all records and files originally intended to serve as verification and safeguard against duplication and illegal use. Since Relocation personnel agreed to transfer this file to the Finance Section to perform the audit we required, Mr. Connolly, Mr. Goetting and Mr. Cuberly together with Relocation and Administrative Management personnel went into the project Director's office on September 18, 1945, for the authority to make the change. In this meeting, it was decided that Finance Section should take over the files to audit Transportation Requests as issued. It was also decided that the responsibility of issuance of Government Transportation Requests would be transferred to the Relocation Division from Finance. The change went into effect September 19, 1945. It was understood in the meeting of September 18th that these Transportation Request lists would be in the hands of the Finance Section by 9:00 a.m., two days prior to departure of the evacuee.

Immediately upon the receipt of the files of Form 303, Relocation Grant Applications, we instigated a detailed audit to determine the extent of irregularities and duplications we anticipated. This audit was made on the basis of Form 33 Transportation Request lists prepared and furnished daily by the Relocation Division. This list was checked with the Relocation Grant application Form 303 to determine as to whether a previous transportation request had been issued to the same person. The attached report is the result and covers August and September of 1945, as that is as far back as the Form 303 file was complete until several weeks later when July was received.

The Relocation Division was able to get their lists into Finance Section as per schedule from approximately October 5th to date, and are continuing to do so. Even after checking these daily lists to determine proper issuances, there was no assurance that mis-handling did not exist. On October 29th, we requested that the transportation requests be submitted attached to the Form 33 lists in order that erroneous purchases of tickets could not be made. The responsibility, however, for proper use of the tickets, report as to substitutions and cancellations, still remains in the Relocation Division.

The total amount of duplications remaining unexplained is \$5399.80. This is divided into two (2) parts, i.e., those duplications which have been proven correct by the receipt of the carrier bills, in the amount of \$1050.80; and those duplications not yet completely billed by the carriers amounting to \$4399.00.

We have, of course, discussed this tabulation with the Project Director several times during the past two weeks, and now with the designation of John E. Connolly, Finance Officer, to withdraw from the



Finance Office duties to perform an independent audit of procedures, records, faults and reconciliations in an effort to determine from all sources, if any further eliminations in our official Finance Report can be made; we are compelled to await the results.

Feeling that the audit we performed with the records in this office, is, excepting minor clerical errors, on the whole correct, and that the General Accounting Office will use these records only, in subsequent post-audit work, any further certification of carrier bills can only be made with regard to settlement of the items listed on the attached tabulation. Also, that regardless of the success of Mr. Connolly's audit, any changes, substitutions, agreements, etc. should be approved by the proper authorities. It is our belief that 100% correction of this report is impossible, and carrier bills still to be received for some time after this office is closed, which may effect the report, a difficult task exists.

We believe the foregoing to be a cold statement of facts which cannot be denied, and the seriousness of non-reporting to the proper authorities such conditions, an element of insufficient efforts on the part of the Finance Personnel might be implied. Therefore, we are presenting this in duplicate so that copy may be forwarded if and to whom it is felt necessary.

John E. Connolly  
Finance Officer and  
Authorized Certifying Officer

R. C. Goetting, Jr.  
Asst. Finance Officer and  
Authorized Certifying Officer

Norman B. Cobb  
Auditor and  
Authorized Certifying Officer

Albert E. Cuperly  
Fiscal Accountant, Auditor and  
Reviewing Officer



#### F. CLOSING OPERATIONS

The closing operations of the finance section started on December 1, 1945; were scheduled and accomplished as follows:

1. Fiscal cut-off with Regional Disbursing Office -  
January 18, 1946
2. Preliminary closing of accounts - January 26, 1946
3. Final closing of center books for transfer to Washington -  
February 12, 1946

Exhibit 4 covers an outline of procedure to be used by the finance office after the finance officer and the assistant finance officer have left the project. The employee then responsible for the operation of the finance section, under the direct supervision of the project director, is Albert E. Cuberly, fiscal accountant.

NOTE: The assistant finance officer, R. C. Goetting, Jr., who is leaving for the WRA office in Washington, D. C. approximately February 15, 1946 to complete details of closing operations, will cover final liquidation procedures in his report. His report will be more conclusive inasmuch as he has been on the project from the beginning and is closing out the finance section. Mr. Goetting has been acting finance officer since January 21, 1946 at which time I was expecting to transfer to the Bureau of Reclamation. However, since my transfer was delayed until February 18, I have devoted most of my remaining time to special assignments delegated by the project director.



EXHIBIT 4

Colorado River Relocation Center  
Poston, Arizona

February 11, 1946

MEMO TO: Albert E. Cuberly,  
Reviewing Officer

SUBJECT: Project Finance Operations

In my memorandum of December 6, 1945, closing dates were established for various duties of the Finance Section. Now the time has arrived to close the accounts entirely and move a majority of the records to the Washington office. There will, of course, be a number of duties necessary on the project which will be placed under your supervision and will be a vital link in properly liquidating the Center activities in Washington.

Therefore, I am attaching hereto a brief outline of your responsibilities and duties and a general statement of procedure in regard to some of the activities undergoing changes caused by Center closure which you may use as a guide. It is not intended to be all-inclusive since you are now supervising several of the functions being kept on the Center.

In addition to yourself, the staff will consist of the following employees, who are identified as to the general type of function to which they are assigned. You will be expected to shift them if, when and where the work load demands, as well as cooperate in assisting other sections so far as possible without seriously affecting your own operations.

Dorothy Muir - Accounts Payable pre-audit - cash  
Frances Morris - File preparation for shipping  
Arnold Sorenson - Meals and Quarters  
Lorraine Hilks - Payrolls  
Julia Walther - Payrolls  
Yoshie Jinde - Payrolls  
Doris Collins - Payrolls



In the past several weeks I have found that other sections being so involved in their own closing a slackness has existed in many details being made known to the Finance Section which have affected finance operations. Therefore, it is suggested that a review of closing procedures for Property Control, Procurement, Office Service, Personnel, et cetera be made. Also, personal contacts should be made to determine the status of items affecting your operations and if being overlooked, reminders should be given. Constant follow-ups should be made to the habitual offenders.

Should situations arise requiring policy decisions, Mr. Mills should be consulted immediately. Mr. Mills should also be kept informed periodically as to the current status of your work.

If questions arise where the answers are not available at the project level, you should contact the Washington office through Mr. Mills.

I intend to discuss the attached with the Washington staff and if changes or additions are necessary, I will forward them to you immediately.

The method of actual closing of your operations is not contained in the attached as I would like to discuss it further in Washington. Clerical arrangements in Washington may have a definite bearing on the exact handling as may other elements there with which I am unfamiliar. This, too, will be forwarded to you as soon as possible.

Good luck,

R. C. Goetting, Jr.  
Acting Finance Officer

cc: Mills  
Connolly  
Cassilly



## 1. CASH OPERATIONS

- A. Billings on forms 1114 will be made and numbered locally for current quarters and subsistence charges only where payroll deductions cannot be made on the Center payroll. The original shall be immediately submitted to the individual involved and all copies shall be mailed to the Washington office. A thin onionskin sheet extra copy should be made and maintained in date order.
- B. Collections made on items as specified above should, if at all possible, be by check or money order. A statement to that effect should be placed on the face of the bill. Upon receipt of payments the thin "extra copies" should be pulled, dated as to receipt of payment, attached to the respective check or money order, listed, and totaled on a transmittal letter and sent "Registered" mail to Washington. A separate file of these transmittals shall be maintained.
- C. Collections received from the meal checker in cash and from other sources on which no billing has been prepared, an office receipt shall be executed in quadruple. The original should be issued to the remitter, first and second carbons with money order (or personal check) secured with the cash, should be included with the "Registered" mail as specified above and included as a separately labeled and totaled item on the transmittal, i.e.,

## COLLECTIONS OF BILLED ITEMS

<u>Bill No.</u>	<u>Money Order or Check No.</u>	<u>Amount</u>
--	----	-
--	----	-
Total		<u>\$xxx.xx</u>

## COLLECTIONS OF CASH ITEMS

<u>O.R.No.</u>	<u>Money Order or Check No.</u>	<u>Amount</u>
--	----	-
--	----	-
Total		<u>\$xxx.xx</u>
GRAND TOTAL		\$xxx.xx



- D. Collections received from bills submitted previously on which all copies of the bills have been sent to Washington should be listed and totaled on transmittal separately labeled and totaled as the sample above. Any billing identifications sent with the remittance should be forwarded with transmittal.

## 2. ACCOUNTS PAYABLE PRE-AUDIT

- A. All obligating documents (Purchase Orders, GBL's, TR's, Los Angeles requisitions, etc.) should be entered in separate registers from copies usually furnished the Finance Section by the Supply Section, the Audit Unit copy filed and the Accounts Unit copy forwarded daily to the Washington office. The registers should contain pertinent information required in reference work. Also, columns to indicate Receiving Report information.
- B. Receiving reports should be posted to the register opposite the applicable Purchase Order or Requisition Number. Receiving Reports should be received securely attached to Form WRA-111, in which condition they should remain and be forwarded daily to Washington. A check against Purchase Order items will be made as usual and if completed, the Purchase Order will be forwarded also. If a difference exists in receiving Reports and Purchase Orders, notation should be made in register to that effect.
- C. Certified Invoices received should be audited for proper execution, checked against register to verify if Purchase Order and Receiving Report have been forwarded. If the file has been forwarded and no notation as to discrepancy exists on the register, the Certified Invoice should be forwarded with the daily mail. If a notation as to discrepancy exists, a check with the receiving office should be made.

If any Certified Invoices are to be returned to vendors, the transmittal letter should advise them to forward direct to Washington to facilitate payment.

## 3. FORMS SPB-1 DECLARATIONS OF SURPLUS PROPERTY

These forms will be submitted to you from Property Control. These documents should be audited for correctness in computation, and totals. If an audit crew is set up in the warehouse, such extensions and totals will be checked there, and only a spot check required by you. SPB-1's will be very voluminous, and if possible,



the Property Control Unit should perform the audit; otherwise, additions to your staff would probably be required. The accounting for a numerical sequence should be maintained by you, in order to see that Property Control is processing them in order, and that none are being lost. Daily transmittal to Washington should contain a numerical listing of those attached.

#### 4. PAYROLLING

- A. The process of payrolling, from supervising the execution of Time and Attendance Reports, auditing, etc., through to completion of the payrolls for submission to Washington, as is now being accomplished, will be handled in the same manner.
- B. Philip J. Cassilly has been designated to receive and issue the checks upon return to the project; however, he is to release them to you, still sealed, for check accounting and recording the check numbers on your retained copy of the payroll. As may be considered more convenient, you may be expected to issue the checks as usual from the Agent Cashier's window; otherwise, return to Mr. Cassilly as soon as possible.

#### 5. MEALS AND QUARTERS LEDGERS

These ledgers shall be maintained as usual. Mr. Sorenson is being retained on the staff to continue with the work, as it is increasing in complications and volume, particularly where quarters are involved. This is due to clearances and terminations, as well as arrangements with people to continue occupancy but are no longer on our payroll. This coupled with the fact that Indian Service employees are occupying quarters, as well as non-government individuals operating the Rainbow Mart, the Rec. Hall, etc., and require billings as explained in Section 1.

#### 6. GENERAL

The duties specified above and general relations thereto shall be operated in the same manner as before and retain its status as a Finance Section under the direct supervision of the Project Director. The employee charged with the responsibility upon the departure of Mr. Connolly and Mr. Goetting, will be Mr. Albert E. Cuberly.

Cleared and approved by Mr. Mills

John E. Connolly  
Finance Officer



NOTE. The Finance operations for the period January 1945 through Center Closure has been prepared by the Finance Officer, John E. Connolly, and contains exhibits and contributions from the staff as well as myself. The following is devoted to Closure in the Washington Central Office.

#### AUDIT AND EXAMINATION UNIT RECORDS

In transferring the unpaid and pending items to the Central Office, the processing of documents for payment was continued. The execution of such presented only one problem. This problem was Evacuee transportation, and is explained in the extract from my report to the Project Director, contained in Mr. Connolly's section of the final report under E, Exhibit 3, page 25. The solution of the major portion of this situation was accomplished by visiting the Atchison, Topeka and Santa Fe Railway Company in Topeka, Kansas, where the Center records and Rail ticket records were reconciled. A reduction was made in the amount of approximately \$2500.00.

#### Accounts Unit Records

In transferring the control Accounts of the General Ledger a complete analysis was required, as within the accounts sub-division, offsetting balances were evident without reflection on the trial balance. Only one change was necessary in regard to the fund accounts, and these were cleared by supporting transfer of funds from the Los Angeles Disbursing Office to the Washington Disbursing Office.

The change above being made in the Allotment Ledgers allowed transfer to be made to the Central Office records without difficulty.

The transfer of Retirement required special handling due to a revision of the Center plan in the Washington office, but no difficulty was experienced.

All other Subsidiary Records and Accounts were verified, and released to the Washington Office without difficulty.

Having assisted with the growth of the Colorado River Relocation Center, watched it live and change, and ultimately be liquidated, several major items stand out which should have received concentrated attention earlier in the program to insure a more stable operation. Therefore, I am listing below, in order of their importance, points, I feel would alleviate problems applicable to like situations in which we found ourselves in the WRA:



1. Personnel Consideration

- a. Promote High Morale.
- b. Encourage and acknowledge good Work.

2. Program Planning

- a. To properly service operational Units  
Know and understand their programs
- b. Analyze and plan well in advance
- c. Keep all subordinates well informed of pending matters.

3. Program Analysis

- a. Periodic analysis to insure preparation to meet  
program problems.
- b. Procedural execution analysis
- c. Document flow and employee arrangements.
- d. Accuracies, Work Load, and Personnel Requirements.

In closing, I must report the fact that with all the problems and intricacies of policy, attitude, and minority control as required and experienced in the War Relocation Authority, it was an experience full of challenge and enlightenment to a degree beyond description. The value received in humanity understanding, as well as administrative experience, was infinitely more important and certainly overshadowed any personal inconvenience and suffering we may have experienced.

R. C. Goetting, Jr.  
Asst. Finance Officer  
Colorado River Relocation Center  
Poston, Arizona



WAR RELOCATION AUTHORITY  
Colorado River Relocation Center  
Peston, Arizona

NARRATIVE REPORT

FINANCE SECTION

(Period after January 5, 1945)

John E. Connolly  
John E. Connolly  
Finance Officer



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A. HISTORICAL DEVELOPMENT

1. Structure

a. January 1, 1944 to January 31, 1945

Finance Officer  
Budget and Accounts  
Cost Accounting

b. February 1, 1945 to closing

Finance Officer and Assistant Finance Officer  
Audit and Examination Unit  
Accounts Unit  
Expenditure Analysis Unit

(Change: Budget and Accounts Unit was dissolved  
and two units established along with  
Expenditure Analysis.)

2. Administration

a. The finance officer is responsible for all planning, organizing and supervision of policy and procedures as set forth by the finance handbook. He acts as liaison with other division and section heads in all policy problems involving finance and general administration of project in an advisory or consulting capacity. He secures approvals ordinarily reserved by assistant director of administrative management and project director; and plans, organizes and supervises work of the finance section as a whole, maintaining direct contact through the assistant finance officer with the three units. Planning and corrective operations are maintained through weekly meeting of the three unit heads, finance officer and assistant finance officer.

b. The assistant finance officer's duties are to carry out the program prescribed; to act as a consultant to the finance officer in matters pertaining to finance operation; to act as liaison between unit heads and finance officer; to assign work; to supervise the execution; to review all reports; and to continually check progress in an effort to minimize difficulties experienced with peak loads. His duties include the handling of detail promulgation of procedures emanating from policy decisions. He attends weekly administrative management division staff meetings with finance officer to assist with reporting of progress and problems encountered.



- c. The accounts unit is headed by Donald J. Hagerty; the examination unit is headed by Norman B. Cobb and the expenditure analysis unit is headed by Albert E. Cuberly.
- d. An evacuee records sub-unit has been established in the examination unit to cover the maintenance of time cards, notices of assignment, payrolls, leave records, basic family cards for preparation of clothing allowances, relocation, travel and public assistance grants, and is geared to the acceleration of relocation activity.
- e. All appointed payroll records were transferred from personnel management in April, 1945 and are now being maintained in the examination unit. These comprise payroll, leave record, retirement, bond deductions and tax withheld.
- f. Agent cashier functions are expanded to meet acceleration due to increased relocation plans.
- g. General ledger, allotment ledger, registers and subsidiary accounting are now strictly emphasized in the accounting unit, as audit and disbursing are emphasized in examination unit.
- h. The expenditure analysis unit is being reduced in work procedures and with the evacuee unit coordinated with audit, emphasis is being placed on reconciliation and cost data is analyzed.

B. ULTIMATE ORGANIZATION AND RESPONSIBILITIES

The term of my employment as finance officer began on January 5, 1945, at which time I succeeded James W. Shepard, who had resigned. It was necessary at that time to attend a conference at Denver, Colorado with the assistant project director, Maurice Lipian, for the purpose of general discussion and revision of certain procedures of financial operation as designated in the WRA finance handbook. On my return to Poston, January 15, 1945, I took over the full responsibility of the finance section and proceeded to make a complete survey of the section as to personnel and status of workload.

Beginning February 1, 1945 the revised procedures of the new finance handbook were put into practice. There was at this time a large back-log in all units of the section. First of all, it was necessary to reorganize the operating units and their functions to agree with the revised finance operations.



Section "A" preceding outlines the reorganization of the section on February 1, 1945. To supplement the listing of responsibilities of the finance officer; all budget estimates are prepared by the finance officer and his assistant and submitted to the Washington office for approval. Complete budget control is maintained at all times by the finance officer through the fiscal accountant in charge of the accounts unit.

C. PERSONNEL AND WORKLOAD

Nineteen appointed personnel and 70 evacuees were approved under the budget requests, but although we averaged about 19 appointed personnel we never averaged better than 35 evacuees. With the exception of about 15 steady workers, there was an ever-changing picture of evacuee personnel which necessitated constant training periods. By the first of June it was necessary to stop posting evacuee leave cards entirely due to the lack of personnel. Time cards and notices of assignment were a constant problem due to ineffective timekeeping on evacuee labor. With the acceleration of relocation it was necessary to inform appointed personnel supervisors that they must certify all time cards before we would honor them for payment. This certification was made thereafter.

The back-log on leave records for evacuee employees was eliminated by using high school students during July and August. These students were furnished by the center evacuee administrators through our personnel office.

By January 18, 1946, all evacuee payrolls, clothing allowances and leave records had been processed, completed and vouchered for payment through the Regional Disbursing Office. All public assistance, resettlement and relocation grants which had been approved for payment were also completed. There will remain, of course, some inquiries from relocated evacuees about the non-receipt of checks. These inquiries will have to be reviewed by the Washington office. In most cases, failure to receive checks has been due to change of address after relocating. However, in some instances, the amount of payment on the public assistance and resettlement assistance grants has been questioned, some of these grants having been reduced because of lack of funds to pay the original amount scheduled for payment. These reductions were made by the relocation program officer, Corlies Carter. There have also been some requests for payment of time worked by evacuees beyond the period reported by section timekeepers. In some of these cases the supervisors have left our employ and we have no evidence in our records to substantiate the evacuees' claims. Evacuee payments have now been completed in accordance with the records in our possession.



D. FUNCTIONS OF SECTION BY UNITS

1. Accounts Unit

The functions of the accounts unit are budgetary accounting (allotment and ledger), control accounting (general ledger), encumbrances and obligations of commitments, fund accounts, investment and inventory accounts. All required reports on the above activities originate in the unit. The objectives of this unit are to provide control of allotted funds and general ledger control of all subsidiary expenditure analysis ledgers, sales of project produced goods and control of collections and all agent cashier's funds and records. (Refer to Exhibit 1, narrative-historical report furnished by the fiscal accountant in charge of this unit, Donald J. Hagerty, for complex problems and their subsequent solution.)

Because of the problems constantly confronting the finance section in regard to maintenance of payroll records, it became necessary to take over the maintenance of payroll records from the personnel section during April, 1945. Previous to this time all payroll records were maintained by the personnel management section. Exhibit 2 covers the background of the maintenance of Individual Earning Record Cards and their reconciliation with applicable general ledger control accounts.



EXHIBIT 1

WAR RELOCATION AUTHORITY  
Colorado River Relocation Center  
Poston, Arizona

PERSONAL NARRATIVE - HISTORICAL REPORT  
OF THE ACCOUNTS UNIT IN THE  
FINANCE SECTION

November 26, 1945

D. J. Hagerty  
Fiscal Accountant



A. Introduction to Finance

The writer was employed for the position of Assistant Cost Accountant in the Cost Accounting Unit of the Finance Section; however at E O D on October 23, 1944 he was detailed by the Project Director to the Statistical Section as Acting Statistician. This detail continued until the latter part of December, 1944 when, due to the transfer of the Fiscal Accountant in the Finance Section to another Agency it was deemed necessary to place the writer in his correct Section. However, since the Assistant Fiscal Accountant was acting as Fiscal Accountant it was decided to give the writer the duties of the Assistant Fiscal Accountant rather than those of the position of Assistant Cost Accountant. This was done and the writer entered on duty in the Finance Section, Fiscal Accounting Unit, with his sphere of duties and responsibilities limited to the Account Sub-unit.

B. Background in the Finance Section

As the writer saw it, the organization of the Finance Section was as follows:

Under the Finance Officer the Section was divided into Fiscal Accounting and Cost Accounting Units, each with positions of Accountant, Assistant Accountant, Jr. Accountant, a few appointed clerks and a large number of evacuee employees. In addition there was an Agent-Cashier and an Alternate Agent-Cashier apparently responsible to the Fiscal Accountant, also with evacuee help. The Finance Officer and each of the Units were physically separated as to office location and, it became apparent, as remotely situated as far as coordination of duties and responsibilities were concerned. The Fiscal Accounting Unit embraced the usual Auditing and Accounting functions as well as a few others under a single head but even here the Unit actually operated as three, i.e. Audit, Accounts and Agent-Cashier with very little coordination, each maintaining separate files of the same documents, etc. The Assistant Fiscal Accountant, who was supposed to direct the operations of the Accounts Sub-Unit, served as the Certifying Officer and actually occupied most of his time with the matter. The Auditor who directed the activities of the Audit Sub-unit served as reviewing officer. Shortly after the writer's actual entrance into the Finance Section, the Section was reorganized with a Finance Officer, Assistant Finance Officer, an Accounts Unit (with the writer as Fiscal Accountant), a Cost Accounting Unit, an Audit Unit and an Agent-Cashier Unit, the last responsible to the Assistant Finance Officer.



C. Background in Accounts Unit

The writer found the Accounts Unit activities to be actually directed by the Jr. Fiscal Accountant who also served as Alternate Agent-Cashier. The personnel consisted of the Jr. Fiscal Accountant, an appointed Fiscal Clerk (who resigned within a few days) and approximately a dozen evacuee employees.

None of the employees, appointed or evacuee, could be considered experienced in fiscal operations. The evacuees were simply "trainees", some of ability, but lacking even the minimum of adequate supervision. Since the Jr. Fiscal Accountant also served as alternate Agent-Cashier and was the sole supervision it was a physical impossibility for that person to oversee the many complex and voluminous records which the Finance Handbook required to be maintained.

The records at that time consisted of:

1. The General Ledger, with nearly 75 accounts, many of these broken down by different classifications and limitations, cost accounts and subsidiary accounts. At least three separate registers, formed journals of original entry to this General Ledger, in addition to numerous journal vouchers prepared by the Cost Accounting Unit and Agent-Cashier transactions which were entered directly.

This complex and voluminous record was maintained by an evacuee clerk who was always "snowed under" with postings and consequently there was no time to subject the ledger to periodic audit and reconciliation. Various control accounts were not properly supported by subsidiary ledgers and where such subsidiary ledgers did exist (as in the Cost Accounting Unit) the two were not in balance.

2. The Allotment Accounts, with separate ledger accounts for each objective classification and for many activity Accounts under each of the former. These Allotment Accounts which were supposed to control the obligation and/or expenditure of funds were also maintained by inexperienced evacuee clerks and the maintenance of the records so far in arrears that it was necessary to use worksheets in addition to reflect unobligated balances for obligation purposes. The unliquidated obligation balances shown by the accounts were, in very few instances, in agreement with supporting document files, although the evacuee account clerks were supposed to have "run" adding machine tapes each month for that purpose which they "filed" in their desk drawers for future reference.



Practically every ledger account required establishment of a "dummy account" to reflect errors in appropriation and/or limitation cited on vouchers and, for which adjustment vouchers were required to be submitted to the Regional Disbursing Officer and the General Accounting Office.

3. As stated above for the General Ledger registers of original entry were maintained for obligations and for receiving reports charged to inventory. Here again due to inexperienced employees and lack of supervision the registers were not properly maintained nor were prescribed controls used to insure that the accounts effected in the General Ledger would be in agreement with the required subsidiary records.
4. Finally the document files were in chaotic condition and no systematic or logical organization was in evidence. The unliquidated obligation files were maintained in such a manner that it was impossible in some cases to prepare a trial balance for reconciling purposes. The documents themselves were to a great extent only tissue copies of the original and these had been handled so long and often that they were frayed, torn and at times unrecognizable. Not long before the writer assumed control of this Unit an examination had been made by the Washington staff and their report was extremely critical of its' operation, especially of the manner in which files and document records were maintained. A particular comment was that the knowledge of the Units Operation existed only in the "head" of the staff and was not reflected in the records.

Such were the circumstances in brief as the writer found them.

#### D. Analysis of Job Accomplishments

The background presented above was in itself indicative of the job to be done in the Accounts Unit. An attempt is made below to outline the progress, obstacles and accomplishments in connection with the various problems encountered.

##### 1. Personnel

Obviously the staff of the Unit needed strength in the form of additional appointed personnel or as replacements for the evacuees who were relocating increasingly. The departure of the evacuees in itself was a blessing as there were too many of them to adequately supervise and train in view of the turnover existing. However, to replace them with



experienced fiscal clerks proved to be just as great a problem and the result was that the writer was required to accept whatever appointed employees the Personnel Section furnished through recruitment or transfer. These employees required complete training in fiscal functions and in varying degrees were not satisfactory due to their previous background and lack of aptitude for fiscal work.

In a number of cases the evacuee employees were more adaptable to fiscal work but could not be classed as satisfactory due to being "close mouthed" about their duties which made it difficult to learn exactly how they were maintaining their records. Also they resisted suggestions for changes and improvements and considerable time elapsed before the writer could gain their confidence enough to make any progress.

## 2. Accounting Problems and Accomplishments

The Washington examination report served as a guide generally as to what was wrong and needed correction. Also effective February 1, 1945 the Finance Handbook Sections covering Budgetary and Control Accounting were revised and the Cost Accounting Unit function reduced to a comparatively simple Expenditure Analysis Operation.

### a. Obligation files

A start was made with the unliquidated obligation document files and the necessity to balance them with the Allotment Ledger Accounts. This required reorganization of the files, "dressing up", the preparation of face sheets as well as the actual reconciliation work. Typed trial balances were prepared for the first time as far as evident and checked back against the ledgers.

After approximately two months of this it could be reported that the document files and accounts were in balance and they have been maintained in this condition since. The job was completed none too soon as the Washington office requested a listed trial balance of unliquidated obligations as of March 31, 1945, complete with item descriptions. These obligation files contained many documents, however, which did not represent valid commitments against the government and which needed to be cancelled. Some effort was made along this line but in main the job had to be deferred at the time because of more pressing problems.



One of the important problems in obligation file maintenance was the volume of documents processed and the practice had been to obligate each document separately. This was done with each Government Transportation Request and Bill of Lading and resulted in a huge file of documents, usually a tissue copy of the original. To prepare trial balances of these obligations regardless of the system employed, was a great time consuming task. As the Handbook did not specify the exact method to be used, a system of "blanket" obligations on a monthly basis was substituted for Government Transportation Requests whereby the individual "memorandum" copies were applied against an estimated amount for one month's operation. The "memorandum" GTR's, bearing the "blanket" obligation number, was then placed in a numerical file maintained in the Audit Unit awaiting payment. The blanket obligation itself was adjusted at the end of the month to the exact amount of the GTR's and remained until liquidation by vouchers.

This method proved so satisfactory and resulted in such a saving of time that it is believed it should be used in any similar circumstance.

b. Budgetary Accounting (Allotment Ledger)

The revision of the Handbook simplifying the Accounts afforded an ideal time for the reorganization of the Budgetary (Allotment) Accounting system which was sorely needed, even through the changeover created additional work and an encumbrance liquidation system was added by the revised procedures.

The daily worksheets used to base obligation approvals on were eliminated and with the time saved the allotment account posting were brought up to date so that it was only necessary to refer to the accounts themselves to determine the status of funds.

Correct "dummy accounts" were established in the many instances necessary to reflect errors on vouchers.

The writer also prevailed upon the various officials and offices to furnish actual "form" copies of obligating documents in place of the "tissue sheets" theretofore used.

The revised procedure provided that all obligation and expenditure documents be routed to the new Expenditure



Accounting Unit for posting and then to be returned to the files prior to report time. Difficulties in that Unit resulted in a stoppage of work and it was found necessary to withhold the documents, and return them to the files immediately in order to prepare reports, when due. This was an instance of where the procedure was affected by difficulties in another unit and unfortunately, it was necessary in this instance to ignore the operations of the other Unit in order to continue the Accounts functions.

A system of preparing Allotment Ledger reports directly from the Accounts resulted in a saving of time. Also, a division of responsibility between two individuals for the maintenance of Control and Activity accounts insured that the Allotment accounts were in balance when the end of the month was reached and reports were due in Washington.

The revised Budgetary Accounting procedure as prescribed was generally a simple and workable system and for that reason it has been possible to operate it very nearly in accordance with instructions.

The encumbrance of requisitions and their liquidation upon receipt of the Purchase Order was in many instances a duplication of work since the Purchase Order was often available at the same time, as the requisition. However it did afford protection to the Procurement Office, who previously, was often in a position of writing Purchase Orders for which funds were not available.

Also requisitions were established which did not result in Purchase Orders and for which notice of cancellation was not received. However, this was also true of obligations as many instances have been found where the Procurement Office marked their copies "cancelled" and failed to notify Finance. Perhaps it may be said that the "encumbrance procedure" was a cumbersome one but desirable because of the lack of knowledge on the part of the operating sections and divisions as to their budget limitations.

The procedure provided that the unliquidated obligations be controlled by a system of "checks" on the ledgers from which a trial balance could be prepared and balanced with the file. This system was considered slow and difficult due to partial payments, volume of entries, etc. and, instead, trial balances were prepared from the document files and balanced with the ledger totals.



The most serious handicap in Allotment Accounting stemmed from the practice of "operating divisions" making supplemental budget requests without clearing such requests through Finance. Many times requisitions and/or obligations were presented for which Finance did not have the necessary Allotment Advice or teletype authority. Although the Finance Officers repeatedly attempted to remedy this situation, the practice of submitting these requests directly continued and often resulted in asking Washington for funds when unencumbered balances were available and only "purchase authority" was required.

c. Control Accounting (General Ledger)

As has been indicated, the General Ledger was large and complicated, and although, the Handbook revision of February 1, 1945 eliminated such accounts as those for Production and Construction, Expenditure Clearing, Deferred Expenditures Cost of Sales, etc., it did add certain direct entries from documents. An instance of this was in connection with S. F. 1064, Schedule of Disbursement, which now required four separate entries for each document. It is believed that as far as possible entries to the General Ledger should be made on a monthly basis through appropriate registers.

The General Ledger was based on a standard system of accounts (government) modified for the agency's use to some extent, and, as revised on February 1, 1945 at least, should have been a workable system. However, it should also be noted in this connection, that the errors and omissions which existed in the General Ledger as of the date of the revised procedure were carried forward of necessity in closing out the accounts which were eliminated. This was due to the fact that the situation responsible for the errors and omissions existed and continued from the establishment of the General Ledger on January 1, 1944 as indicated elsewhere below. While the instructions for closing and/or transferring the Accounts as of February 1, 1945 prescribed that they be analyzed as a previous step, this had to be deferred at the time because of the tremendous detail involved, the pressure of current work, lack of qualified personnel, etc.

Fund Accounts

The maintenance of this group of accounts was chiefly a matter of internal control and therefore may be con-



sidered the most satisfactory to operate and the most successfully performed portion of the control accounting. Previously OS.1, Undeposited Collections was posted simultaneously with the Collections Accounts. This was corrected to provide for posting from Office Receipts to reflect undeposited money in the hands of the Agent-Cashier. However, the Pro Forma entries in the Handbook did not provide for such entries covering Special Deposit Collection items, which, under the present procedure, are entered only at the time they are transmitted to the Regional Disbursing Office. It is felt that such collections should also be reflected in OS.1, Undeposited Collections to show the Collection Officer's responsibility for cash on hand.

Also entries to this group of accounts were on an individual document basis and the multitude of postings required was a heavy burden and kept the ledger clerk "swamped". This was particularly true of Office Receipts.

#### Investment Accounts

The warehouse accounts under this group were adjusted to the Property Control cards during March and April of 1945 and controls finally established through use of Form WRA-111, Daily Inventory Balance, which has been maintained since. This control has been difficult to maintain because the Property Control end was delegated to clerks who had little understanding of the function, among whom "turnover" was great, and who required constant "education" by Finance, consuming much valuable time. In fact in practically all cases except routine receiving reports it was necessary to dictate the entries involved.

The control for the Mess Warehouse was even more difficult, the Forms WRA-111 always in arrears, entries were improper, documents often missing and in the case of issues usually incorrect. In addition, when information or documents were requested by Finance a stalemate would exist in the Mess Section or a stoppage of work occur which would delay the monthly closing of the General Ledger. At the end of several months "adjustments" were indicated on the Forms-111 which required further arbitrary entries to the General Ledger account.

Aside from the difficulties in Control Maintenance, a fundamental weakness in the warehouse accounts was the lack of knowledge that the subsidiary property cards actually balanced with the control figures carried on the Form WRA-111.



The accounts for such investments as Land and Fencing, Buildings, etc., have not reflected the correct value of the Assets, due, in part to the apparent impossibility of obtaining original construction costs for the physical plant and further to the fact that Job and Production Orders existing for later construction (and remodeling work) were not completed by the Cost Accounting Unit, and the value of such assets established in the General Ledger.

Subsidiary ledger accounts were established for Accounts Receivable Sundry, in addition to the existing bill file because it was found difficult to balance the account from the latter alone as bills were often removed from the file and misplaced, etc.

The Accounts Receivable for subsistence and quarters was especially difficult to operate satisfactorily because of the dependence on the payroll preparation function for reductions of amounts due. Errors and omissions on the payrolls, and the lack of billing advice for items where reductions were not possible, necessitated constant reconciliation of this Account. In order to avoid trouble of this nature, each Form 201 Statement of Payroll Reduction, should be balanced and reconciled with applicable payrolls before released.

#### Account 40 Expenditures

Maintained to show operation expenses, was not in balance with supporting subsidiary accounts as of February 1, 1945 and would require reconciling from July 1st of 1944 to the former date. Further, when the Production and Construction Accounts were closed to Expenditures, it is known that various uncomplete Job and Production orders existed in the Cost Accounting Unit, representing cost values of Assets which should have been transferred to the Investment Accounts.

#### Liability Accounts

Among the accounts included in this group were encountered some of the problems most difficult to solve. 60.1 Accounts Payable, was established on February 1, 1945 from old accounts 49, Expenditure Clearing, and 91.30 Unvouchered Expenditures, Accounts Payable both of which had never operated correctly and consequently the new account did not reflect in any way the true



accrued and unvouchered expenditures. Since the pressure of current work did not permit the detailed analysis of the old Account #9, the new account was adjusted to approximate correctness on the basis of unpaid receiving reports and other obligations. Further adjustment in this account would be required if it is to come out "even" when all accrued expenditures are vouchered. The Sundry and Inventory Register had not been operated correctly since their establishment (all obligations had not been posted) and consequently the unvouchered amounts reflected by these registers were not correct. The "check off" system prescribed by the Handbook is not considered adequate to reflect outstanding accounts payable and only a good file system of unpaid receiving reports capable of being balanced, along with other obligation documents, with General Ledger Account would be satisfactory. In this case the vendors file containing unpaid receiving reports was maintained in a separate Unit.

Subsidiary Accounts were established for Special Depositor's Accounts as prescribed; however difficulty was experienced in liquidating the accounts as the amounts deposited were not always used in making applicable expenditure vouchers, necessitating subsequent adjustment vouchers.

The account for Federal Tax Withhold occasioned much more additional work than would have been required if it had been possible to balance the account directly with the S.F. 1102, Employee's Earning Card. The underlying difficulty was in the maintenance of these subsidiary accounts, divorced entirely from accounting operations. Since a satisfactory solution of this problem could not be effected it was necessary to repost all payrolls to "spread sheets" by individual name to achieve a balance with the General Ledger, file correct returns and issue accurate employee statements. Similar difficulties were experienced with the Retirement and Bond Accounts.

#### E. Conclusion

It is not possible to comment on every item or activity of the Accounts Unit without undue volume; however it is believed that sufficient instances have been given to indicate the general nature of the problems encountered in the accounting operations. It should be emphasized that many of the problems were inherited, and at a time when the Authority was really entering a



period of liquidation with its attendant difficulties; consequently it has not been possible to give some procedures a fair test or rectify errors in other instances. Where criticism has been offered it has been with a constructive purpose; to suggest or point out what might be necessary to avoid similar difficulties in a like situation.



EXHIBIT 2

History of the Maintenance of Forms 1102,  
Individual Earning Record Card, and  
Reconciliation with Applicable General Ledger Control Accounts

Several of the problems encountered in reconciling Forms 1102 were common to all of the accounts; Tax, Bond, Retirement and Subsistence and Quarters. Among these were the inability to secure the Earning Records for a sufficient length of time each month to perform the required reconciliation; the Payroll Unit was constantly using them as worksheets in payroll preparation. Further, one complete file of the cards was not maintained and there was no assurance that all the cards were accounted for, assuming they could be secured in the first place. Finally, the entries made to the cards were not identified by Bureau Voucher No., Schedule No., etc., which would enable a point of balance to be determined. Other difficulties are enumerated in the following sections.

Withholding Tax Account

Forms W-2, Withholding Tax Receipt, for 1944 were prepared by the Payroll Unit from Forms 1102 for each employee and triplicate copies of the receipt forwarded to the Accounts Unit for submission with the last quarterly and annual return for the 1944 tax year. The originals were mailed or distributed directly by the Payroll Unit to the individuals.

The sum of these triplicate copies was compared with the total of the quarterly payments made to the Collector of Internal Revenue as based on General Ledger account entries and it was found that the figures did not agree by a wide margin. Attempts to localize the discrepancy by rechecking the Earning Cards was not successful as it was discovered that the form did not reflect all payments and adjustments as made on payrolls. If it was necessary to cancel a check, the entry in question on the Form 1102 was simply erased and the corrected figures inserted. The required entries from adjustments on payrolls were ignored as far as Form 1102 was concerned, although such entries were made in the General Ledger accounts for Tax, etc. Further, it was found that the Forms 1102 were not maintained on a cash basis; if a supplementary payment was made for 1943 the entry was made on the employee's 1943 card according to the earning period; consequently when the Forms W-2 were prepared for 1944 the entry for Tax was naturally overlooked. Also entries appeared on the Earning Cards which did not appear on payrolls but were included, however, on W-2's.



Realizing that the account could not be reconciled directly from Forms 1102 and that considerable time would be necessary for an alternative method, a tax return was filed with the Collector stating that reconciliation would be accomplished as soon as possible.

Obviously the Tax account could only be reconciled by determining the correct individual amounts through an analysis of payrolls for the entire year.

A attempt was made to do this by reposting entries to individual worksheets from payrolls, utilizing a considerable number of clerks on nightwork, but difficulty was experienced in effecting a control and eventually the project was abandoned in favor of a spread sheet system. This was carried on without extra help utilizing any time which could be spared from current operations. Eventually a reconciliation was achieved and amended returns filed with the Collector's office in September of 1945.

In order to avoid similar difficulties with the 1945 Tax, worksheets were initiated early in the year and postings made from payrolls as time permitted. This still did not reconcile the General Ledger account periodically with the Forms 1102, but did provide a means of verifying individual deductions when the end of the calendar year was reached.

The work involved was in effect a duplication of that spent in the payroll unit in maintaining Forms 1102 but under the circumstances proved the only satisfactory method of operation.

#### Retirement Account

Exactly the same problems were encountered in attempting to reconcile the Retirement Account as in the case of the Tax Account, with only Forms 2806, Retirement Record Card, substituted for Form W-2, Withholding Receipt.

Further, the same method of reconciliation was finally adopted, i.e. to analyze and repost all payrolls involved to spread sheets by individual name. This was begun for the fiscal year 1944 and continued through the end of the Finance operations.

On the basis of these worksheets for the fiscal year 1944, it was discovered that many of the entries to Forms 2806 for separated employees were incorrect when the forms were certified and submitted to the Civil Service Retirement Division, resulting in both under and overpayments of refunds to individuals.



Further, the entries by fiscal year to Form 2806 were not made in accordance with the fiscal year during which the deductions actually took place and credited to the General Ledger account; consequently was necessary to revise these forms prior to the preparation of Annual Summaries and Register of Appointments and Separations.

Retirement records were not maintained currently; Forms 2806 were not prepared at the time of the individuals employment and fiscal and personnel action entries made as required. Rather it was the practice to prepare Form 2806 only at the time a separated employee submitted a request for refund and in some instances this request was forwarded to the agency through the Civil Service Retirement Division. This resulted in the errors described above since there was no way to verify the accuracy of entries in such cases due to the fact that the Forms 1102 were not in balance with the control accounts.

#### Bond Account

Inasmuch as the Bond Account was a continuous one, without regard to fiscal or calendar year, any attempt to reconcile this account directly with Forms 1102 was even a more hopeless task. During the early part of 1945 a tape was run on what was believed to be the open bond accounts as reflected by Forms 1102 but without any margin of success. Consequently, due to the lack of help and because any available time in the Accounts Unit was being utilized in reconciling the Tax and Retirement Accounts, the job of balancing the Bond Account was necessarily deferred until the liquidation period. Obviously this account presented more difficulties than the others because of the additional factors involved.

Through what could be gained from earlier employees, an impression was formed that the Bond Account had never been reconciled. However, during the liquidation period when attempting to find a starting point for the work, a reconciliation as of March 31, 1944 was discovered in the vault. These worksheets not only provided a detailed list of the open accounts as of that date, but also a list of separated employees with unrefunded balances amounting to a total of approximately \$2000. Apparently no action was taken when the reconciliation was completed to dispose of these balances. Also accumulated at the time was a number of accounts where bonds had been issued in excess of payroll deductions which were not cleared by subsequent action.

This reconciliation of March 31, 1944 had been made from an analysis of documents in much the same manner as used later in reconciling Tax and Retirement. With it as a starting point and a further list



of documents as provided by the General Ledger, the reconciliation was carried forward through the close of bond deductions, resulting in an additional list of unrefunded accounts etc.

Subsistence and Quarters

To relate the difficulties in connection with this account would be a repetition of much of the above material as far as the maintenance of Forms 1102 were concerned. However, it was noted that in many instances where payroll reductions could not be made for some reason, the amount due for subsistence and/or quarters was allowed to remain on the Earning Card without appropriate billing or other advice which would clear the controlling ledger account.

D. J. Hagerty  
Fiscal Accountant  
Accounts Unit  
February 7, 1946



## 2. Audit and Examination Unit

The functions of the audit and examination unit are the audit and examination of all documents prior to vouchering for certification and payment by the Regional Disbursing Office. These functions operate in three sub-units as follows:

### a. Voucher Sub-unit

Audit, preparation and vouchering of all carrier bills, bills of lading and all purchases of material and supplies. Travel authorizations, travel vouchers and government transportation requests are also processed by this sub-unit.

### b. Appointed Personnel Payroll Sub-unit

Preparation and maintenance of all earnings records, leave records, bond accounts, retirement accounts, tax deduction accounts and preparation of payroll vouchers for all regular and hourly workers.

### c. Evacuee Payroll Sub-unit

Preparation and maintenance of all clothing allowance, public assistance and relocation grant documents and records. Maintenance of time cards, earnings records and preparation of payroll vouchers for all evacuee personnel working on the project.

## 3. Expenditures and Analysis Unit

The functions of the expenditure analysis unit are to maintain an analysis by activity and expenditure through subsidiary ledgers of the general ledger all cost records of motor pool, mess, buildings, etc., and make monthly reports to Washington on cost records.

## E. PROBLEMS AND SOLUTIONS

A problem of duplication confronted the finance section with regard to the relocation of evacuees during the period of August 1, 1945 to November 25, 1945. The situation developed through the lack of control of Form 503 issued for payments of relocation grants and subsequent government transportation requests issued for the transportation of relocating evacuees. All grants and train lists originated in the relocation division.



Form 303 relocation grants were originated by individual relocation advisers after interviewing the evacuees. The relocation grant Form 303 was approved and forwarded to the finance office for payment by the agent cashier. A duplicate of each 303 was filed in the relocation leave office as a control for the purpose of preventing duplication of issuances. Train lists were prepared from original 303 forms. From this train list a Form 33 was issued by the relocation leave office to the finance office for the issuing of government transportation requests.

The government transportation requests were returned to the relocation leave officer who arranged for the purchase of the railroad tickets. The purchasing of railroad and bus tickets was made by the relocation leave officer and the subsequent distribution of these tickets was made to the evacuees by that office.

The system broke down in operation as described above inasmuch as, when departure dates were changed, in some cases new forms 303 were issued without cancelling the previous forms and therefore some duplication of payment was made. Fortunately, however, these duplications of payment were recovered before closing out our records.

Unfortunately, however, the government transportation request situation was not so easily solved. There was obviously poor control by the leave office with regard to cancelling government transportation requests when departure dates of evacuees were changed. Incomplete records were maintained as to listing of cancellations and substitution of other evacuees on group tickets. The finance section became aware of this lack of control about the first of September and held a meeting with the railroad officials and the relocation officer in order to set up a proper system of controlling cancellations and substitutions on daily departures. A system was agreed upon but it was soon evident that it was not operating. It became necessary on September 18 to go to the project director with the request that we take over complete control of the transportation control of the relocation leave office. This request was not granted but a compromise ended in our taking over the 303 duplicates and checking all 33 lists of departures against them to prevent duplicate payments of grants and adjust duplication in issuances of government transportation requests by collection. From September 18 all government transportation requests were issued by the relocation leave officer and she was responsible for the issuance, purchase and distribution of transportation to evacuees.



The result was that because of the repetition of names (although one evacuee could only depart once) it was obvious that continued cancellations and substitutions were being made without being reflected on the 33 list.

Because our records reflected duplications which in most cases did not actually exist, it was necessary for me to check the complete set of 33 lists against the departure records. This revealed that no changes were being made daily in the 33 lists due to cancellation or substitution of evacuees.

After auditing our records, I made a trip to Las Vegas, Nevada, headquarters of the bus company. I succeeded in reducing many government transportation requests and, in some cases, completely cancelling the GTR, because it was discovered that although we were billed for payment by the bus company, these GTR's had either not been traveled on, or only part of the people designated to travel had actually done so. A revision of travel by bus was made and agreed to by the Las Vegas, Needles & Phoenix Stage Lines and their bills were ready to be honored.

The same conditions applied to the travel by the Atchison, Topeka and Santa Fe Railroad. I went to Los Angeles, reduced a number of the GTR's and received approval from the railroad company.

To summarize, I would like to say that poor control was maintained on GTR's by the relocation leave office. For example, if a group GTR was written to cover twenty people to Los Angeles and only ten people traveled on that GTR, the GTR was very seldom reduced to the proper number of people who actually traveled. I saw some GTR's billed in full when only used in part. I must state that apparently the railroad company made little effort to effect any reductions, but billed us in full, seldom making any attempt to check their conductor's report as to how many people traveled. However, this was more the responsibility of our relocation leave office than the railroad's.

For any further operation handled by the relocation division, such as payments of grants and transportation of people, it is my belief that it is absolutely necessary to establish a control desk over which these documents may pass before processing, in order to avoid any duplication. As to the relocation leave office, the solution of its problem in regard to cancellations and substitutions of GTR's lies in control, by an absolute checking of the evacuees boarding the train against an approved train list, subsequent adjusting of the GTR and covering lists on form 33 to conform with the changes.



Exhibit 3 is a narrative record made by the finance officer, assistant finance officer, authorized certifying officer and reviewing officer covering the difficulties encountered in controlled transportation of evacuees from the center.



EXHIBIT 3

Narrative Record of Circumstances  
Regarding Evacuee Transportation as Reported  
by the Finance Section

November 2, 1945

Discussions were held with the Relocation Program Officer on several occasions regarding control of transportation of evacuees. Upon the increase of departures about the middle of August, the irregularities in handling the listing of evacuee departees on request from Relocation for issuance of Government Transportation Requests were discussed in view of the established procedure dated May 12, 1945. A portion of this is reflected in Relocation Bulletin No. 14. On several occasions discussions were held in regard to items requiring more control and Mr. Connolly suggested during the middle of August, that Ralph R. Drennen be utilized in departure checking and also as a Liaison Control Employee, as his efforts were already in planning procedure for Relocation. Following further along the Control Desk establishment, we allowed Charles Sledge, a new Finance employee, to be detailed for this purpose August 29th, but prior to his actual reporting to Relocation, a person was employed and specifically assigned to Relocation for this purpose. However, a Control Desk was never established, the employee being assigned other duties.

On September 6, 1945, Mr. Connolly and Mr. Goetting attended a meeting in the Relocation Program Officer's office with Mr. Osborn of the Atchison, Topeka and Santa Fe Railway to discuss transportation problems, among them the operation and use of transportation requests. Mr. Goetting suggested in this meeting that checking onto the trains individually to insure proper use of transportation requests, in his opinion, was the best method of control. In this manner, transportation requests and tickets could be adjusted to cover actual use. He, also, offered to assist in organizing group destinations at the station, but was informed it would be unnecessary as Relocation personnel had been assigned.

During this same period, we discussed the short time allowed Finance to process properly the documents pertinent to Relocation and suggested a schedule of operation. The result of our suggestion is the seven-day plan reflected in Relocation Division Bulletin No. 16, dated September 10, 1945. This plan was to allow time for verification in Relocation as well as Finance.



Within a short time, we, still dissatisfied with the results discussed with Relocation the possibilities of relieving them of all records and files originally intended to serve as verification and safeguard against duplication and illegal use. Since Relocation personnel agreed to transfer this file to the Finance Section to perform the audit we required, Mr. Connolly, Mr. Goetting and Mr. Cuberly together with Relocation and Administrative Management personnel went into the Project Director's office on September 18, 1945, for the authority to make the change. In this meeting, it was decided that Finance Section should take over the files to audit Transportation Requests as issued. It was also decided that the responsibility of issuance of Government Transportation Requests would be transferred to the Relocation Division from Finance. The change went into effect September 19, 1945. It was understood in the meeting of September 18th that these Transportation Request lists would be in the hands of the Finance Section by 9:00 a.m., two days prior to departure of the evacuee.

Immediately upon the receipt of the files of Form 303, Relocation Grant Applications, we instigated a detailed audit to determine the extent of irregularities and duplications we anticipated. This audit was made on the basis of Form 33 Transportation Request lists prepared and furnished daily by the Relocation Division. This list was checked with the Relocation Grant application Form 303 to determine as to whether a previous transportation request had been issued to the same person. The attached report is the result and covers August and September of 1945, as that is as far back as the Form 303 file was complete until several weeks later when July was received.

The Relocation Division was able to get their lists into Finance Section as per schedule from approximately October 5th to date, and are continuing to do so. Even after checking these daily lists to determine proper issuances, there was no assurance that mis-handling did not exist. On October 29th, we requested that the transportation requests be submitted attached to the Form 33 lists in order that erroneous purchases of tickets could not be made. The responsibility, however, for proper use of the tickets, report as to substitutions and cancellations, still remains in the Relocation Division.

The total amount of duplications remaining unexplained is \$5399.80. This is divided into two (2) parts, i.e., those duplications which have been proven correct by the receipt of the carrier bills, in the amount of \$1050.80; and those duplications not yet completely billed by the carriers amounting to \$4399.00.

We have, of course, discussed this tabulation with the Project Director several times during the past two weeks, and now with the designation of John E. Connolly, Finance Officer, to withdraw from the



Finance Office duties to perform an independent audit of procedures, records, faults and reconciliations in an effort to determine from all sources, if any further eliminations in our official Finance Report can be made; we are compelled to await the results.

Feeling that the audit we performed with the records in this office, is, excepting minor clerical errors, on the whole correct, and that the General Accounting Office will use these records only, in subsequent post-audit work, any further certification of carrier bills can only be made with regard to settlement of the items listed on the attached tabulation. Also, that regardless of the success of Mr. Connolly's audit, any changes, substitutions, agreements, etc., should be approved by the proper authorities. It is our belief that 100% correction of this report is impossible, and carrier bills still to be received for some time after this office is closed, which may effect the report, a difficult task exists.

We believe the foregoing to be a cold statement of facts which cannot be denied, and the seriousness of non-reporting to the proper authorities such conditions, an element of insufficient efforts on the part of the Finance Personnel might be implied. Therefore, we are presenting this in duplicate so that copy may be forwarded if and to whom it is felt necessary.

John E. Connolly  
Finance Officer and  
Authorized Certifying Officer

R. C. Goetting, Jr.  
Asst. Finance Officer and  
Authorized Certifying Officer

Norman E. Cobb  
Auditor and  
Authorized Certifying Officer

Albert E. Suberly  
Fiscal Accountant, Auditor and  
Reviewing Officer



Colorado River Relocation Center  
 Poston, Arizona

November 20, 1945

Finance Office Revised Report of Outstanding  
Multiple Issuances of Transportation Requests 8/1/ to 9/30

For Whom Issued	TR Nos	Carrier Bill No.	No. & Type of Fares	Destination
Aburamen, Konichi (9/17)	30,336 (Cobb) 30,020 "	812017 (ATSF) 811613 "	1 full "	Fresno, California "
Abe, Tsuki (8/27)	46,095 (Hilke) Auto Alws		5 full "	Salinas, California "
Akiyama, Miyeko (8/29)	45,871 (Cobb)		1 full	TR written for Chicago Reloc Assist for LA
Asatani, Kazuo (9/19)	30,176 (Cobb) 21,574 (Hilke)	811854	4 full "	San Jose, California "
Chikahisa, Hiroshi (9/5)	30,134 21,276 (Goetting)	811065	5 full "	Los Angeles, California "
Deguchi, Aiko (9/12)	30,071 (Cobb) Auto Alws	811614	1 full "	W. Los Angeles, California "
Endo, Tozo (9/11)	30,211 (Morocco) 21,276 (Goetting)	811065	5 full - 2 half "	Los Angeles, California "
Endo, Tomo (9/19)	21,531 (Hollenbeck) 21,553 (Hilke) 21,885 (Hilke)	811065 812295	5 full " "	Salinas, California " "
Ginsuke Fujimoto (9/8)	30,055 (Cobb) 21,118 (Cobb)	811326 811064	1 full "	Glendale, Arizona "
Fujihara, Tsuneichi (9/5)	30,329 (Cobb) 21,470 (Cobb)	812017 811066	1 full 1 full	Reedley, California "



Revised Rpt of Issuances of Multiple T/R (Cont'd)

Funaki, Teshiko (9/13)	21,319 (Cobb) Auto Alws	811613	1 full - 1 half "	Encinitas, California "
Fujimoto, Yoshiko (9/17)	30,250 21,276 (Goetting)	1 full 811065	1 full 1 full	Los Angeles, California "
Fukuhara, Akio (9/8)	30,091 (Cobb) Auto Alws	811326	2 full "	Los Angeles, California "
Fujimoto, Shimako (9/22)	21,824 (Hilke) 21,574 (Hilke)	811965	4 full - 1 half "	San Jose, California "
Hatakeda, Shigeru (9/13)	30,258 (Moreoco) 30,020 (Cobb)	811613	3 full - 1 half "	Visalia, California "
Higashoka, George (9/13)	30,049 (Cobb) 30,232 (Cobb) 30,233 (Cobb)	22717	1 full " "	New York, N.Y. 30,232 & 30,233 for indirect routing via Salt Lake City
Hirai, Fude (9/13)	30,101 (Cobb) 30,012 (Cobb)	811550	1 full "	San Jose, California "
Himaka, Kazuye (8/28)	45,865 (Cobb) 45,815 (Cobb) 46,013 (Cobb)		4 full " "	Cleveland, Ohio " "
Ishibashi, Tanji (9/10)	30,071 (Cobb) 30,091 (Cobb)	811614 811326	1 full "	Los Angeles, California "
Ikeyma, Chokichi (9/27)	30,019 (Cobb) 22,001 (Hilke)	811853	3 full "	Fowler, California "
Imagawa, Tsuchiyo (9/22)	21,574 (Hilke) 21,823 (Hilke)	811965	4 full - 1 half "	San Jose, California "
Ishii, Satoichi (9/10)	30,071 (Cobb) 21,276 (Goetting)	811614 811065	3 full - 1 half "	Los Angeles, California "
Imanaka, Yoshio (9/7)	30,091 (Cobb) 30,101 (Cobb) 21,276 (Goetting)	811326 811065	2 full " "	Los Angeles, California " "



Revised Rpt of Issuances of Multiple T/R (Cont'd)

Kurokawa, Hisano (9/13)	30,019 (Cobb) 30,048 (Cobb)	811853 811853	1 full "	Fowler, California "
Kizuka, Asa (9/17)	30,071 (Cobb) 30,353 (Cobb)	811614 811966	2 full "	Los Angeles, California "
Koyama, Frank (9/13)	30,017 (Cobb) 21,492 (Cobb)	811613 811066	2 full "	Visalia, California "
Koike, Yasuichi (9/10)	30,178 (Cobb) 30,088 (Cobb)	811854 811256	1 full "	Sacramento, California "
Kanitani, Seichi (9/19)	21,575 (Hilke) 30,070 (Cobb)	 811551	4 full "	Watsonville, California "
Kono, Merima (9/23)	21753 (Hilke) 22054 (Hilke)	<del>811551</del> 29 29	3 full "	Ontario, Oregon "
Kunitake, George M. (9/21)	30,040 (Cobb) 21,684 (Hilke)	811613	3 full "	Oxnard, California "
Kodama, Oyei (9/22)	30,250 21,723 (Hilke)	 812015	2 full "	Los Angeles, California "
Kouchi, Umataro (9/13)	30,010 (Cobb) 30,256 (Morocco)	811613	1 full "	San Bernardino, California "
Komure, Teruko (9/6)	21,284 (Goetting) 30,054 (Cobb)	811065 811614	1 full "	San Diego, California "
Kitagawa, Ryoze (9/27)	21,276 (Goetting) 22,012 (Hilke)	811065	3 full "	Long Beach, California "
Mansfield, Dorothy (9/13)	30,012 (Cobb) 30,101 (Cobb)	811550	2 full "	San Jose, California "
Morimoto, Edward (9/11)	30,049 (Cobb) 30,205 (Morocco)		3 full "	Chicago, Illinois New York, N. Y.
Maruyama, Tsugi (9/17)	30,352 (Cobb) 30,101 (Cobb)		2 full "	Lindsay, California "



Revision of Issuances of T/R (Cont'd)

Nakagawa, Seki (9/13)	21,284 (Goetting) 30,045 (Cobb)	811065 811614	2 full "	San Diego, California "
Matsushita, Sally (9/18)	21,371 (Cobb) 21,947 (Hilke)	811963	3 full 1 full (Kiyokichi)	Detroit, Michigan "
Maruoka, Jirohachi (9/21)	30,088 (Cobb) 21,758 (Hilke)	811256 811964	2 full "	Sacramento, California "
Miwa, Hana (9/19)	21,620 (Hilke) 21,621 (Hilke) 21,551		2 full 4 full	Berkeley, California "
Nakahara, Jack Tekuo (9/22)	21,125 (Cobb) Auto Alms	811064	1 full "	New York, N. Y. "
Nakamura, Fuyi (10/31)	30,328 (Cobb) 30,101 (Cobb)	812017	5 full "	Los Angeles, California "
Nakagawa, Seki (9/13)	30,045 (Cobb) 21,284 (Goetting)	811614 811065	2 full "	San Diego, California "
Nakano, Yujiro (9/6)	21,095 30,124 (Aiko)(Cobb) 30,161 (Namiye) (Hilke)	811064 811854	5 full 2 full - 1 half 5 full	Los Angeles, California " "
Nagata, Mary (9/25)	21,348 (Cobb) 21,952 (Hilke) 21,878 (Hilke)	811613	1 full " "	Los Angeles, California " "
Nakabayashi, Toshio(Mitsu) (9/20)	21,690 (Hilke) 21,614 (Hilke) 21,615 (Hilke) (Pullman)	812014 812014	2 full 1 full	Riverside, California "
Nagahama, Koshiro (9/19)	21,668 (Hilke) 21,313 (Cobb)	812013 811791	1 full "	Pasadena, California "
Nishita, Suteichi (9/20)	30,011 (Cobb) 30,149 (Hilke)	811550 811965	3 full 3 full	San Juan Bautista, California Gilroy, California
Nabeshima, Shokichi (9/5)	21,473 (Cobb) 21,066 (Cobb) 21,067 (Cobb)	811963 29 29	1 full " "	Lodi, California Clearfield, California



Revised Rpt of Issuances of Multiple T/R (Cont'd)

Obata, Michiko (9/19)	30,345 (Cobb) Auto Alws	812017	1 full "	San Jose, California "
Ohashi, Sawa (9/18)	30,320 30,040 (Cobb)	811613	2 full "	Ogden, Utah "
Okumura, Esuo (9/13)	30,008 (Cobb) 30,254 (Morocco)	811613	2 full "	Los Angeles, California Monterey, California
Ogawa, Toranosuke (9/5)	21,291 (Goetting) 30,130 (Morocco)	811853	2 full- 1 half "	San Jose, California "
Oshiro, Yujo (9/5)	30,089 (Cobb) 30,132 (Morocco)	811067	1 full "	Lodi, California "
Oka, Shizuko (9/20)	21,726 (Hilke) 30,250 30,040 (Cobb)	811964  811613	3 full " "	Salinas, California " "
Oda, Macoto (9/7)	30,095 (Cobb) 30,089 (Cobb)	811326 811067	4 full "	Reedley, California "
Okino, Misao (9/14)	21,355 (Cobb) 30,101 (Cobb)	811613	3 full - 1 half "	Los Angeles, California "
Sakuda, Wasako (9/25)	30,246 (Cobb) 30,006 (Cobb)		5 full "	Tremonton, Utah "
Shimizu, Teruko (9/14)	30,237 (Cobb) 21,337 (Cobb)	811614 811613	4 full "	Reedley, California "
Sasano, Tomoyuki (9/14)	30,245 (Cobb) 21,341		1 full "	Salt Lake City, Utah "
Sumi, Teijiro (9/16)	30,250 Auto Alws		1 full "	Los Angeles, California "
Shimabukuro, Misao (9/26)	22,002 (Hilke) 30,040 (Cobb)	812424 811613	1 full 2 full	Los Angeles, California "



Revised rpt of Issuances of Multiple T/R (Cont'd)

Shinmoto, Sasuke (9/12)	30,042 (Cobb) 30,204	811613	2 full "	San Diego, California "
Sujishi, Yosake (9/15)	21,314 (Cobb) 30,269 (Hilke)	<del>811613</del>	1 full "	Clearfield, Utah "
Shimizu, Tokiutsu (9/5)	21,307 (Cobb) 30,129 (Morocco)	810864	2 full 1 full	Berkeley, California "
Sakamoto, Kiyome (9/26)	21,574 (Hilke) 21,995 (Hilke)		2 full "	Dinuba, California "
Sakamoto, Susumu (9/6)	30,206 (Morocco) 30,163		2 full 2 full	Los Angeles, California "
Segawa, Kazuji (8/20)	45,578 (Cobb) 46,079 (Hilke)		1 full "	San Diego, California "
Takeshita, Ikuyo (8/12)	30,102 (Cobb) 30,042 (Cobb) 30,041 (Cobb)	811613 811613	1 full " "	San Diego, California " "
Tanoue, George (9/15)	30,297 (Cobb) 21,329 (Cobb)	812016 811791	3 full - 1 half "	Del Rey, California "
Takata, Frank (9/14)	21,343 (Cobb) 21,357 (Cobb)		3 full - 3 half "	Spanish Fork, Utah "
Tokushige, Hideo (9/10)	30,168 (Hilke) 30,053 (Cobb) 21,497 (Cobb)	811326 811613	3 full - 1 half " "	San Jose, California " "
Tanaka, Tamotsu (9/12)	30,012 (Cobb) 30,173 (Hilke)	811550	2 full "	San Jose, California "
Tanamachi, Mitsuye (9/22)	21,710 (Hilke) 21,711 (Hilke) 21,712 (Hilke)		1 full " "	San Benito, Texas " "
Takaki, Sadakichi (9/7)	21,207 (Cobb) 3,098 (Cobb)	811326	1 full 2 full	Fresno, California "



Revised Rpt of Issuances of Multiple T/R (Cont'd)

Tachibana, Kojiro ( )	30,071 (Cobb) 21,843 (Hilke)	811614	1 full "	Los Angeles, California "
Tanaka, Kentaro (9/26)	21,988 (Hilke) 30,089 (Cobb)	811067	1 full "	Reedley, California "
Tokiwa, Toyoji (9/24)	21,291 (Goetting) 30,084 (Cobb)	811853 811256	1 full "	San Jose, California "
Takahashi, Nobuko (9/19)	21,654 (Morocco) 30,087 (Cobb)	811551	3 full- 2 half "	Sanger, California "
Takemoto, Masa (9/11)	30,070 (Cobb) 30,048 (Cobb)	811551 811853	2 full "	Bridgeton, New Jersey "
Takanishi, Barbara (9/19)	30,095 (Cobb) 30,237 (Cobb) 21,567 (Hilke)	811328 811614 812013	2 full " "	Reedley, California " "
Teshima, Sumiko (Asako) (9/19)	21,630 (Hilke) 21,573 (Hilke)		2 full- 2 half "	San Juan Bautista, California "
Tsuji, Tokutaro (9/19)	21,652 (Morocco) 21,575 (Hilke)		1 full "	Winters, California "
Tsuda, Tonoya (9/19)	21,618 (Hilke) 21,575 (Hilke)	811964	5 full 2 full	Watsonville, California "
Uyeda, Yoshiye (9/25)	30,250 Auto Alws		4 full "	Los Angeles, California "
Yamamoto, Elmer (9/24)	30,250 Auto Alws		3 full - 1 half "	Santa Ana, California "
Yamamoto, Tom (9/11)	30,209 (Morocco) 46,063 (Cobb)	810639	1 full 3 full	Ordway, Colorado Ordway, Colorado
Yamashita, Toshitaro (9/6)	30,054 (Cobb) 21,284 (Goetting)	<del>811614</del> 811065	<del>2 full</del> 2 full 2 full	San Diego, California "
Yokota, Tamatsu (9/11)	30,007 (Cobb) 30,208 (Morocco)	811853	2 full "	Cleveland, Ohio "



Revised Rpt Issuances of Multiple T/R (Cont'd)

Tamauchi, Takeshi (9/19)	21,525 (Hilke) Auot Alws	812013	1 full "	San Juan Capistrano, Calif. "
Yoshizaki, Chieko (9/22)	21822, (Hilke) 21,574 (Hilke)	811965	2 full "	San Jose, California "



#### F. CLOSING OPERATIONS

The closing operations of the finance section started on December 1, 1945; were scheduled and accomplished as follows:

1. Fiscal out-off with Regional Disbursing Office - January 18, 1946
2. Preliminary closing of accounts - January 26, 1946
3. Final closing of center books for transfer to Washington - February 12, 1946

Exhibit 4 covers an outline of procedure to be used by the finance office after the finance officer and the assistant finance officer have left the project. The employee then responsible for the operation of the finance section, under the direct supervision of the project director, is Albert E. Cuperly, fiscal accountant.

NOTE: The assistant finance officer, R. C. Goetting, Jr., who is leaving for the WRA office in Washington, D. C. approximately February 15, 1946 to complete details of closing operations, will cover final liquidation procedures in his report. His report will be more conclusive inasmuch as he has been on the project from the beginning and is closing out the finance section. Mr. Goetting has been acting finance officer since January 21, 1946 at which time I was expecting to transfer to the Bureau of Reclamation. However, since my transfer was delayed until February 18, I have devoted most of my remaining time to special assignments delegated by the project director.



EXHIBIT 4

Colorado River Relocation Center  
Poston, Arizona

February 11, 1946

MEMO TO: Albert E. Cuberly,  
Reviewing Officer

SUBJECT: Project Finance Operations

In my memorandum of December 8, 1945, closing dates were established for various duties of the Finance Section. Now the time has arrived to close the accounts entirely and move a majority of the records to the Washington office. There will, of course, be a number of duties necessary on the project which will be placed under your supervision and will be a vital link in properly liquidating the Center activities in Washington.

Therefore, I am attaching hereto a brief outline of your responsibilities and duties and a general statement of procedure in regard to some of the activities undergoing changes caused by Center closure which you may use as a guide. It is not intended to be all-inclusive since you are now supervising several of the functions being kept on the Center.

In addition to yourself, the staff will consist of the following employees, who are identified as to the general type of function to which they are assigned. You will be expected to shift them if, when and where the work load demands, as well as cooperate in assisting other sections so far as possible without seriously affecting your own operations.

Dorothy Muir - Accounts Payable pre-audit - cash  
Frances Morris - File preparation for shipping  
Arnold Sorenson - Meals and Quarters  
Lorraine Milke - Payrolls  
Julia Walther - Payrolls  
Yoshie Jinde - Payrolls  
Doris Collins - Payrolls



In the past several weeks I have found that other sections being so involved in their own closing a slackness has existed in many details being made known to the Finance Section which have affected finance operations. Therefore, it is suggested that a review of closing procedures for Property Control, Procurement, Office Service, Personnel, et cetera be made. Also, personal contacts should be made to determine the status of items affecting your operations and if being overlooked, reminders should be given. Constant follow-ups should be made to the habitual offenders.

Should situations arise requiring policy decisions, Mr. Mills should be consulted immediately. Mr. Mills should also be kept informed periodically as to the current status of your work.

If questions arise where the answers are not available at the project level, you should contact the Washington office through Mr. Mills.

I intend to discuss the attached with the Washington staff and if changes or additions are necessary, I will forward them to you immediately.

The method of actual closing of your operations is not contained in the attached as I would like to discuss it further in Washington. Clerical arrangements in Washington may have a definite bearing on the exact handling as may other elements there with which I am unfamiliar. This, too, will be forwarded to you as soon as possible.

Good luck,

R. C. Goetting, Jr.  
Acting Finance Officer

cc: Mills  
Connolly  
Cassilly



# 1. CASH OPERATIONS

- A. Billings on forms 1114 will be made and numbered locally for current quarters and subsistence charges only where payroll deductions cannot be made on the Center payroll. The original shall be immediately submitted to the individual involved and all copies shall be mailed to the Washington office. A thin onionskin sheet extra copy should be made and maintained in date order.
- B. Collections made on items as specified above should, if at all possible, be by check or money order. A statement to that effect should be placed on the face of the bill. Upon receipt of payments the thin "extra copies" should be pulled, dated as to receipt of payment, attached to the respective check or money order, listed, and totaled on a transmittal letter and sent "Registered" mail to Washington. A separate file of these transmittals shall be maintained.
- C. Collections received from the meal checker in cash and from other sources on which no billing has been prepared, an office receipt shall be executed in quadruple. The original should be issued to the remitter, first and second carbons with money order (or personal check) secured with the cash, should be included with the "Registered" mail as specified above and included as a separately labeled and totaled item on the transmittal, i.e.,

## COLLECTIONS OF BILLED ITEMS

<u>Bill No.</u>	<u>Money Order or Check No.</u>	<u>Amount</u>
---	----	--
---	----	--
Total		<u>\$XXX.XX</u>

## COLLECTIONS OF CASH ITEMS

<u>O.R.No.</u>	<u>Money Order or Check No.</u>	<u>Amount</u>
---	----	--
---	----	--
Total		<u>\$XXX.XX</u>

GRAND TOTAL \$XXX.XX



- D. Collections received from bills submitted previously on which all copies of the bills have been sent to Washington should be listed and totaled on transmittal separately labeled and totaled as the sample above. Any billing identifications sent with the remittance should be forwarded with transmittal.

## 2. ACCOUNTS PAYABLE PRE-AUDIT

- A. All obligating documents (Purchase Orders, GBL's, TR's, Los Angeles requisitions, etc.) should be entered in separate registers from copies usually furnished the Finance Section by the Supply Section, the Audit Unit copy filed and the Accounts Unit copy forwarded daily to the Washington office. The registers should contain pertinent information required in reference work. Also, columns to indicate Receiving Report information.
- B. Receiving reports should be posted to the register opposite the applicable Purchase Order or Requisition Number. Receiving Reports should be received securely attached to Form WRA-111, in which condition they should remain and be forwarded daily to Washington. A check against Purchase Order items will be made as usual and if completed, the Purchase Order will be forwarded also. If a difference exists in Receiving Reports and Purchase Orders, notation should be made in register to that effect.
- C. Certified Invoices received should be audited for proper execution, checked against register to verify if Purchase Order and Receiving Report have been forwarded. If the file has been forwarded and no notation as to discrepancy exists on the register, the Certified Invoice should be forwarded with the daily mail. If a notation as to discrepancy exists, a check with the receiving office should be made.

If any Certified Invoices are to be returned to vendors, the transmittal letter should advise them to forward direct to Washington to facilitate payment.

## 3. FORMS SPB-1 DECLARATIONS OF SURPLUS PROPERTY

These forms will be submitted to you from Property Control. These documents should be audited for correctness in computation, and totals. If an audit crew is set up in the warehouse, such extensions and totals will be checked there, and only a spot check required by you. SPB-1's will be very voluminous, and if possible,



the Property Control Unit should perform the audit; otherwise, additions to your staff would probably be required. The accounting for a numerical sequence should be maintained by you, in order to see that Property Control is processing them in order, and that none are being lost. Daily transmittal to Washington should contain a numerical listing of those attached.

#### 4. PAYROLLING

- A. The process of payrolling, from supervising the execution of Time and Attendance Reports, auditing, etc., through to completion of the payrolls for submission to Washington, as is now being accomplished, will be handled in the same manner.
- B. Philip J. Cassilly has been designated to receive and issue the checks upon return to the project; however, he is to release them to you, still sealed, for check accounting and recording the check numbers on your retained copy of the payroll. As may be considered more convenient, you may be expected to issue the checks as usual from the Agent Cashier's window; otherwise, return to Mr. Cassilly as soon as possible.

#### 5. MEALS AND QUARTERS LEDGERS

These ledgers shall be maintained as usual. Mr. Sorenson is being retained on the staff to continue with the work, as it is increasing in complications and volume, particularly where quarters are involved. This is due to clearances and terminations, as well as arrangements with people to continue occupancy but are no longer on our payroll. This coupled with the fact that Indian Service employees are occupying quarters, as well as non-government individuals operating the Rainbow Mart, the Rec. Hall, etc., and require billings as explained in Section 1.

#### 6. GENERAL

The duties specified above and general relations thereto shall be operated in the same manner as before and retain its status as a Finance Section under the direct supervision of the Project Director. The employee charged with the responsibility upon the departure of Mr. Connolly and Mr. Goetting, will be Mr. Albert E. Cuberly.

Cleared and approved by Mr. Mills

John E. Connolly  
Finance Officer