

310 ACCOUNTING (General) 1945

S-1301-0000-2004

310 Accounting
(General) '45

UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION

FORM AD-87
(REVISED)
(7 MAR 45)

GROSS REFERENCE SHEET

DATE: 31 December 1945

CROSS INDEX: 305
310 (V.C.F. Collection)

TO: Commander Jackson

FROM: Governor Lehman

SUMMARY: "I send you herewith letter of December 27 from Dan West regarding certain contributions which have been made directly to the Victory Canned Foods Collection."

RECORD FILED: 723 (Victory Canned Foods Collection)

TYPIST: LAS

DATE: 1/5/46

UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION

FORM AD-87
(REVISED)
(7 MAR 45)

CROSS REFERENCE SHEET

DATE: 29 December 1945 Outgoing Telegram

CROSS INDEX: 310

TO: London 8907

FROM: Bellows & Fairchild (Div. of Acc ts. & Audits)

SUMMARY: Lismar to LeGros

1. Reur 7733 have cabled Cairo response airgram 25: Cable list employees with home station Washington showing current entitlement field drawing each....Etc

RECORD FILED: M.E.O.- 450

TYPIST: A.P

DATE: 2/11/46

FORM AD-87
(25 FEB 1946)

UNRRA

CROSS REFERENCE SHEET

DATE

26 Dec. 1945

CROSS INDEX

306 (Expenditures)

310

TO

R. M. Torres

FROM

L. J. Lismer

SUMMARY

Mixed Commissions etc....

RECORD FILED

S. American 331 Mixed Commissions

TYPIST

vb

DATE

20 June 1946

FORM **AD-87**
(25 FEB 1946)

UNRRA

CROSS REFERENCE SHEET

DATE

20 December 1945

CROSS INDEX

310-----

TO

W.E. Burgess

FROM

Voucher Audit Section

SUMMARY

Petty cash order deficiencies.

RECORD FILED

307 (Petty cash deficiencies)

TYPIST

mal

DATE

25 Mar 46

UNRRA

INCOMING TELEGRAM

(Xref)

310

(Commodity)

NUMBER: 602
FROM: Prague to (Unknown)
REPEATED: Washington
DATED: 17/12/45
RECEIVED: 21/12/45 - 2:32 a.m.

Commodity accounting report.

Form H 50 columns 3 and January through August 59,964 preliminary
September 83,693, November 46,649. All metric tons.

DISTRIBUTION:

DG - 2
SDDG - 1
DDG (Hendrickson) - 2
DDG (Menshikov) - 4
OCM - 2
*Supply - 15
FILES - 3

(FREE BOOKS)

59

Dist. 1:10 p.m.
sc - 2:55 p.m.

Cred. Submission - 310 (Commodity)

FORM **AD-87**
(25 FEB 1946)

UNRRA

CROSS REFERENCE SHEET

DATE

13 Dec 1945

CROSS INDEX

310

TO

Ralph R. Boyer

FROM

W. R. Casey

SUMMARY

Implications of Brazilian Exchange Agreement from an Accounting Standpoint etc....

RECORD FILED

Brazil 305 (Exchange)

TYPIST

vb

DATE

20 June 1946

FORM AD-87
(REVISED)
(7 MAR 45)

UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION

CROSS REFERENCE SHEET

DATE: 13 December 1945 Outgoing telegram
CROSS INDEX: 310 (FI-23)

TO: London 8295
FROM: J.W. Fairchild (Payroll)

SUMMARY: To Division of Acc'ts. & Audits.
Cable accrued annula leave Richard M. Brown, Greece no record.
Urgent forward FI-23s indicating date amount last salary payment
abroad and accrued annual leave following returnees: Henry
Clifton, Robt. W. Conger....Etc

RECORD FILED: 400- Brown, Richard M.

TYPIST: A.P.

DATE: 30/1/46

UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION

FORM AD-87
(REVISED)
(7 MAR 45)

CROSS REFERENCE SHEET

DATE: 12 December 1945
CROSS INDEX: 310 (Commodity Accounting)

TO: L.J. Lismer
FROM: L.G. Mileski

SUMMARY: RE: Accessorial Charges

"I believe before the final decision is rendered on how we shall handle accessorial charges, the following points should be considered....ect."

RECORD FILED: 857 (Accessorial Charges)

TYPIST: LAS
DATE: 1/14/46

310

DEC 10 1945

Mr. Frank S. Gaines
Chief of Mission, UNRRA,
Southwest Pacific Area
National Development Co. Building
Santa Mesa, Manila

Attention: Dorothy W. Jameson, Administrative Assistant

Dear Mr. Gaines:

It has been decided that for accounting purposes the Philippine Office is to come under and report to Southwest Pacific Office in Sydney. Will you therefore please forward your monthly statements directly to that Office in the future.

We are today forwarding to Sydney your statements for the months of August, September and October.

We hope to be in a position to send an auditor to the Philippine Mission very soon, and he will be responsible for seeing that the necessary receipts and documentations are obtained for commodities turned over to the Philippine Government and for setting up whatever records and controls maybe required to satisfactorily account for all such transactions.

Very truly yours,

L. J. Lismer, Director
Accounts and Audits Division

CVMayne/mh
10 December 1945

cc: Deloitte, Plender, Griffiths & Co.

A 220



UNRRA

OUTGOING TELEGRAM

310
(Paybooks)

NUMBER: 8101
TO: London
RECEIVED CABLE SECTION: 10/12/45 - 1:10 p.m.
DISPATCHED: 10/12/45 - 4:05 p.m.

To Division of Accounts & Audits

Reur 6106.. Acquittance rolls and summaries will be printed locally.

Drafted by:
JWFairchild (Payrell)
8 December 1945

Cleared by:
F. & A.

DISTRIBUTION

DG - 2
SDDG - 1
DDG (Reeks) - 1
DDG (Hendricksen) - 1
DDG (Gill) - 1
OCM - 2
FILES - 2

(FREE BOOKS)

310 (Commodity Accounting)

am

6 December 1945

MEMORANDUM

TO: Commander H. G. A. Jackson
Senior Deputy Director General

FROM: Burton E. Palmer
Acting Deputy Director General
for Finance and Administration

SUBJECT: Attached Revision of Administrative Order --
"Commodity Accounting"

Attached for your approval is a proposed revision of Administrative Order No. 76 on "Commodity Accounting." In view of our desire to get it to the ERO via Mr. Love, if possible, your prompt approval would be appreciated.

The revised order makes no basic changes in the policy or procedure as established in Administrative Order No. 76 which became effective 26 September 1945. The proposed revision is a clarification and an expansion of the original. Clarification is accomplished through a simplification of language and use of a more effective method of organization. The accounting relationships between Headquarters and regional offices are much more understandable because of this clarification. Sections on reporting procedures, warehousing operations, military surpluses, and non-expendable property which remains with UNRRA have been added.

The proposed revision originated in the Division of Accounts and Audits, has been cleared with the Bureau of Supply, and is now being presented to the Audit Subcommittee. The clearance record on which your approval may be indicated is attached hereto.

Attachments

Encklow/top

cam

Red

* 204.3 (adm order)

UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION

FORM AD-87
(REVISED)
(7 MAR 45)

CROSS REFERENCE SHEET

DATE: 6 December 1945 Outgoing Telegram

CROSS INDEX: 464.2
310

TO: London 7911

FROM: F. Bellows (Procedures)

SUMMARY:

Attention: Lewis from almer

Accordance your desire expressed Rome Conference to be notified instance delays in payroll accounting action required as result changessalary arrangements of employees please investigate caseof Water Corbett....Etc

RECORD FILED: 400- Corbett, Walter

TYPIST: A.P.

DATE: 2/11/46

UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION

FORM AD-87
(REVISED)
(7 MAR 45)

CROSS REFERENCE SHEET

DATE: 4 Dec. 1945

CROSS INDEX: ERO - 451 (Payroll)
401 - (Procedure)
310 - (Paybook System)

TO: Mr. L. W. Le Gros
FROM: Accounts and Audits (London)
Accounts and Audits (L.J.Lisner)

SUMMARY: Re: Payroll Relationships with Washington.

RECORD FILED: ERO - 451 (Payroll) SECURITY FILES

TYPIST: sps

DATE: 19 March 1946

FORM AD-87
(25 FEB 1946)

UNRRA

CROSS REFERENCE SHEET

DATE

3 December 1945

CROSS INDEX

310-----

TO

Harry W. Knight; Lawrence J. Lisner

FROM

Burton E. Palmer

SUMMARY

Writing off petty cash fund discrepancy of \$100

RECORD FILED

307 (Petty cash discrepancy)

TYPIST

mal

DATE

22 Mar 46

SUBJECT: COMMODITY ACCOUNTING

1 General

1.1 Purpose

The purpose of this order is to establish the basic procedure to be used by Headquarters, regional offices, and field offices (mission or otherwise) in accounting for commodities acquired, on hand, and distributed by UNRRA for relief and rehabilitation operations.

1.2 Official Adoption of "Operations Manual"

The "Operations Manual" covering storage and transport of UNRRA supplies in areas of relief operations is hereby adopted as the official procedure of the Administration in recording physical accountability for UNRRA supplies.

1.3 Responsibilities

The following are the basic responsibilities of the Bureau of Supply and the Bureau of Finance and Administration with respect to commodity accounting:

1.31 Bureau of Supply. It shall be the responsibility of the Bureau of Supply:

- a. to provide and maintain its prescribed documentation for acquisition, movement and delivery of commodities;
- b. from such documentation to prepare such statistical records as it may require;
- c. as may be agreed from time to time between the Bureau of Supply and the Bureau of Finance and Administration to provide the Bureau of Finance and Administration with reports and information from such statistical records as the latter bureau may require;
- d. to provide the Bureau of Finance and Administration with such signed copies of documentation as are required by the Bureau of Finance and Administration for maintenance of its commodity accounts;
- e. to provide the Bureau of Finance and Administration with such summary reports as may be required by that bureau for reconciliation or for reporting purposes;

- f. to provide the Bureau of Finance and Administration with estimated costs of commodity acquisition when actual costs are not immediately available;
- g. to maintain the procedures and perform the functions prescribed in the "Operations Manual";
- h. to maintain property records and controls over relief and rehabilitation supplies and equipment delivered by the Administration on loan to governments or agencies, for which title remains with the Administration;
- i. to prepare, operate and maintain procedures for adequate quantitative records of commodities in stockpiles, title to which remains with UNRRA pending distribution.

1.32 Bureau of Finance and Administration. It shall be the responsibility of the Bureau of Finance and Administration:

- a. to maintain accounts for transactions involving commodity acquisitions;
- b. to maintain accounts for transactions involving commodity distribution;
- c. to maintain a file of signed documents supporting the entries in the accounts reflecting commodity transactions;
- d. to maintain adequate warehouse monetary accounting controls over commodity stockpiles in countries where title to commodities remains with the Administration;
- e. to effect such reconciliations between the commodity accounts and the records of governmental or other agencies as may be necessary;
- f. in accordance with procedure prescribed in the "Administrative Property Accountability Manual," to maintain property accounts for all property required for use by the Administration and to which it retains title, regardless of whether the property is used for administrative purposes or for relief and rehabilitation operations.

1.4 Effective Date

This order shall be effective as of 26 September 1945, the date of the original Administrative Order No. 76. Its provisions

shall be effective retroactively to cover all commodity transactions affected from the commencement of operations.

2. Commodity Cost

2.1 Elements of Cost

The cost of commodities used in the establishment of the accounting controls described in this order shall be composed of three elements:

2.11 Element A. The invoice price of the commodities. When there is included in the invoice price, or added thereto, an accessorial charge assessed by the procuring agency, such accessorial charge shall be excluded in establishing Element A.

2.12 Element B. The accessorial charge assessed by the procuring agency.

2.13 Element C. Ocean transportation charges.

2.2 Accounting for Cost

Entries in the control accounts, either as the result of an original transaction or as a result of the transmittal of a debit advice, shall be as follows: Element A of cost shall be charged to the appropriate control accounts distributed between the ten standard commodity classifications used in the financial reports; Elements B and C will be charged to separate items of operating expense. The Bureau of Finance and Administration in Headquarters will distribute Elements B and C of cost on a pro rata basis in the preparation of the final accounts of the Administration.

2.3 World Average Price

If it should be found to be desirable to reflect operations in a country on the basis of world average prices, the required adjustments from cost to a world average price will be made at Headquarters level.

3. Commodity Acquisition (other than military surpluses)

3.1 Documentation

The Bureau of Supply in each office of the Administration shall furnish the Bureau of Finance and Administration in that office with the appropriate signed documents required by the Bureau of Finance and Administration for commodity accounting. Such docu-

ments shall be recorded by the Bureau of Finance and Administration in appropriate registers from which summary entries shall be made to the controlling general ledger commodity accounts.

3.2 Method of Accounting

Each office's cost of commodity acquisition, either actual or estimated, shall be charged in the commodity accounts in the Bureau of Finance and Administration of that office to a commodity acquisition account with respect to Element A of cost as described in paragraph 2.1 hereof, and to separate accounts for Elements B and C. Commodity acquisition accounts shall be maintained by the ten standard classifications of commodities used for financial reports. Credits shall be to the appropriate accounts.

3.3 Use of Estimated Costs

3.31 Source of Estimates. Where actual costs of commodity acquisition are not immediately available, the Bureau of Supply shall furnish the Bureau of Finance and Administration with estimated values.

3.32 Price Adjustments to Actual. When an estimated value is used, the credit shall be to a suspense account which shall be charged at the time actual cost becomes available with the originally charged estimated value. At that time the appropriate account shall be credited with the actual value and there shall be a debit or credit to a price adjustment account for the difference between the originally estimated and the actual cost of the commodities. Price adjustments applicable to Element A of cost shall not be distributed between the commodity classifications. Price adjustments to commodity cost which have previously been debited to another office by debit advice, will not be passed on to the office debited, but will be retained in the accounts of the originating office. Periodical clearings of the price adjustment account which may be necessary will be performed at Headquarters level.

3.33 Private Donations. For accounting purposes, estimated values of privately donated commodities shall be considered as actual.

4. Commodity Distribution (other than military surpluses)

4.1 Shipments from Western Hemisphere for Direct Delivery to Recipient Countries or UNRRA Operations

4.11 Issuance of Debit Advices. The Bureau of Finance and Administration at Headquarters shall issue a debit advice to the appropriate regional office for all shipments from the Western Hemisphere consigned to field offices or operations under the jurisdiction of the regional office for direct delivery to recipient countries or UNRRA operations. A memorandum copy of the debit advice shall be sent by the Bureau of Finance and Administration at Headquarters to the field office immediately concerned for memorandum purposes only, to be used as prescribed in paragraph 4.13. For shipments from the Western Hemisphere to field offices reporting directly to Headquarters, the Bureau of Finance and Administration at Headquarters shall issue only a memorandum debit advice to the field office. The debit advices shall reflect as to Element A of cost, the actual or estimated cost of the shipment by the ten standard commodity classifications used for financial reports, separate amounts being shown in total only for Elements B and C.

4.12 Headquarters and Regional Office Accounting. For shipments to a field office under a regional office, Headquarters shall debit the current account of the regional office and credit the commodity acquisition account; for shipments to a field office reporting to Headquarters, no entry will be made on Headquarters' accounts until the receipted documents are received from the field office as prescribed in paragraph 4.6 at which time the value of the shipment will be charged to commodity distribution expense and credited to the commodity acquisition account as prescribed in paragraph 4.81. The regional office shall maintain a control commodity acquisition account reflecting debit advices received covering shipments to the area coming under its control.

4.13 Field Office Action on Debit Advices. The memorandum copies of the debit advices received by the field offices shall not be entered in the field offices' accounts. The appropriate receipted documents for direct deliveries to recipient countries as prescribed in paragraph 4.6 shall be attached to the copies of the debit advices and shall be forwarded by the field office to the office to which it reports.

4.2 Shipments from Eastern Hemisphere for Direct Delivery to Recipient Countries of UNRRA Operations

4.21 Issuance of Debit Advices. With respect to shipments made from the Eastern Hemisphere to field offices reporting to Headquarters or other regional offices, the Bureau of Finance and Administration of the European Regional Office or of a regional office if such office is a procuring office shall follow the same procedure as prescribed for Headquarters in paragraph 4.11. Likewise, for shipments made from the Eastern Hemisphere to field offices reporting to the European Regional Office or to a procuring regional office, the Bureau of Finance and Administration of that office shall issue memorandum debit advices to the Field Office for memorandum purposes only.

4.22 Headquarters and Regional Office Accounting. Headquarters and regional offices other than the European Regional Office or a procuring regional office shall maintain control commodity acquisition accounts reflecting debit advices received covering shipments to the areas coming under their control. Accounting at the European Regional Office or a procuring regional office shall be similar to that prescribed for Headquarters in paragraph 4.12.

4.23 Field Office Action on Debit Advices. The memorandum copies of the debit advices shall be utilized by the field offices as prescribed in paragraph 4.13.

4.3 Shipments to Warehouses for Trans-shipment. The procedure prescribed in paragraphs 4.1 and 4.2 applies also to shipments to warehouses specifically for trans-shipping purposes, with the exception of shipments routed through the Brindisi warehouse for which the procedure prescribed in paragraph 4.4 for stockpiling shall apply.

4.4 Shipments for Stockpiling

4.41 Issuance of Debit Advices. For all shipments which are to be stockpiled in a warehouse by a field office, Headquarters or the European Regional Office, whichever initiates the debit advices under the procedure as prescribed in paragraphs 4.11 and 4.21, shall forward to the field office with the memorandum copy of the debit advice an itemized statement of the cost of the commodities shipped which will be used by the field office in establishing the warehouse monetary accounting controls prescribed in paragraph 5. The above debit advice shall indicate that the commodities are to be stockpiled and not to be delivered directly on off-loading

to the recipient country. Headquarters or the regional office to which the field office reports shall forward to the field office a formal debit advice covering such shipments with respect to Element A of cost with memorandum entries only showing the totals of Elements B and C.

4.42 Headquarters and Regional Office Accounting. On the basis of the debit advice to the field office, Headquarters or a regional office to which the field office reports shall enter a charge on its accounts against the field office for Element A of the cost of the shipment.

4.43 Field Office Action on Debit Advice. The field office receiving the debit advice reflecting commodities shipped for stockpiling shall enter a charge on its accounts for commodity acquisition which shall be supported by the detailed warehouse monetary accounts prescribed in Section 5.

4.5 Diversions of Shipments. If a shipment is diverted from its original destination, or if a decision to stockpile UNRRA commodities is made locally at a field office without prior notice to the office which initiated the shipment, a cable advising the necessary particulars of the decision shall be despatched immediately to Headquarters or the regional office from which the shipment was initiated, in order that a suitable amendment can be made to the debit advice. If the control accounts of an office other than the office initiating the shipment are affected by the diversion, a copy of the cable shall be despatched to the office where the accounts are affected.

4.6 Documentation Evidencing Direct Delivery on Off-Loading

4.61 Shipments Initiated After 1 November 1945. Documentation for accounting purposes evidencing delivery of commodities to a recipient country or an UNRRA operation shall be, with respect to shipments initiated after 1 November 1945, a combined out-turn and discrepancy report which is prescribed in supplemental instructions to the "Operations Manual" issued by the Bureau of Supply. It shall be the responsibility of the Bureau of Supply in each office to obtain such documentation.

a. Signatures. The outturn report shall be signed for UNRRA by an accredited official of the field office and/or a duly authorized agent, and for the recipient government by a duly authorized agent of the recipient government who shall affix the official government seal thereto. An agent may sign for the government provided it is authorized to affix the government seal or has been authorized by the government to utilize its own seal. The consolidated discrepancy report shall be signed for UNRRA as prescribed above. The field office shall maintain a file of correspondence with the government with respect to the designation by the government of approved signers. Two sets of all approved specimen signatures shall be forwarded by the field office to the European Regional Office, to Headquarters, and to a regional office other than the European Regional Office to which a field office reports.

b. Distribution of Documentation Two signed copies of the above documentation shall be provided for the Bureau of Finance and Administration in the field office of which one copy shall be retained and one copy shall be attached to the memorandum copy of the debit advice covering the shipment as prescribed in paragraph 4.11 and forwarded to the Bureau of Finance and Administration in the regional office to which it reports, or to Headquarters if it reports to Headquarters, for accounting action and permanent filing as prescribed in paragraph 4.81. Distribution of additional copies of the documentation for the purpose of accounting for losses is prescribed in paragraph 6.11.

- 4.62 Shipments Initiated Prior to 1 November 1945. When documentation equivalent to that prescribed in paragraph 4.61 has not been or cannot readily be prepared for shipments initiated prior to 1 November 1945, the Bureau of Supply shall be responsible for obtaining from the recipient government a blanket official UNRRA receipt in the following form:

I, _____, designated representative of the Government of _____ hereby declare that the Government of _____ has received goods, supplies, materials and equipment as covered by Bills of Lading Nos. _____ ex Vessel _____, arrived at Port of _____ on _____ and that they were received in apparent good condition subject to normal losses and damages.

(Date)

(Representative of UNRRA)

(Government Representative)

(Seal)

In the event the government is unwilling to accept the losses as normal, the receipt may be qualified by including available details of the agreed shortages and damages. If the field office enters into a supplemental agreement with the recipient government defining "normal losses and damages", copies of the agreement shall be forwarded as prescribed for the distribution of documentation. The official UNRRA receipt shall be used only as prescribed in this paragraph. Signatures and distribution shall be as prescribed in paragraph 4.61.

4.7 Documentation Evidencing Delivery from Stockpiles

4.71 Deliveries Within Country in Which Stockpile is Located

Documentation for deliveries from stockpile within the country in which the stockpile is located shall be the delivery orders and transfer requisitions as prescribed in the "Operations Manual". It shall be the responsibility of the Bureau of Supply in the field office to obtain such documentation. Signed copies shall be retained in the Bureau of Finance and Administration in the field office to support the accounting prescribed in paragraph 4.82. Signatures on the documentation evidencing receipts of commodities must be acceptable in accordance with provisions of paragraph 4.61(a). Where deliveries are of a retail nature a confirmatory governmental acknowledgment may be obtained covering groups of documentation prescribed above.

4.72 Deliveries from Stockpile by Inter-Office Transfer.

When commodities are shipped from a stockpile in one country to another country, the Bureau of Finance and Administration of the field office in which the stockpile is located shall issue a memorandum debit advice to the field office in the recipient country which will return the receipted documentation as prescribed in paragraph 4.6 with a copy of the debit advice. The receipted documentation shall be retained in the Bureau of Finance and Administration of the field office that originated the shipment to support its commodity accounts.

4.8 Accounting for Commodity Distribution

4.81 Direct Deliveries to Recipient Countries or UNRRA Operations

The Bureau of Finance and Administration in the field office shall maintain no accounts reflecting direct deliveries of commodities on off-loading to recipient countries or UNRRA operations. The value of commodities so distributed shall be reflected in the accounts of the Bureau of Finance and Administration in the regional

office to which the field office reports, or in Headquarters if it reports directly to Headquarters. Such deliveries shall be recorded at the regional office or at Headquarters, wherever the controlling accounts are maintained, in appropriate registers from which summary entries shall be made to the controlling general ledger commodity accounts. The basis of the entries shall be the receipted documentation returned by the field office with the copies of the debit advices as prescribed in paragraph 4.6.

- 4.82 Deliveries from Stockpiles The Bureau of Finance and Administration, in a field office that delivers commodities to a recipient country or an UNRRA operation from a stockpile, shall maintain accounts reflecting commodity distribution as prescribed in section 5. The basis of the entries shall be the receipted documentation as prescribed in paragraph 4.7. The value of such commodity distribution shall be reflected by the Bureau of Finance and Administration of the field office in its periodical financial reports to the office to which it reports where it shall be incorporated in the controlling accounts.

5. Commodity Warehousing

- 5.1 Documentation of Commodity Movements When it is necessary to stockpile commodities in a warehouse in the field prior to distribution, documentation of the movement of commodities shall be maintained in accordance with the "Operations Manual" and procedures laid down by the Bureau of Supply in accordance with its responsibility as prescribed in paragraph 1.31 (i).
- 5.2 Stock Records In accordance with the "Operations Manual", transfer requisitions and delivery orders shall be maintained by the Bureau of Supply in warehouses to record the quantity status of each type of commodity. Under that procedure a separate record will be set up to distinguish each shipment of similar commodity items, and issue shall be priced for accounting purposes as prescribed in paragraph 5.3 on a first in first out basis. No physical segregation of commodities is necessary to accomplish this as it is an accounting operation.
- 5.3 Pricing Copies of the transfer requisitions and delivery orders, prescribed in the "Operations Manual", shall be priced by the Bureau of Finance and Administration in the field office on the basis of the detailed lists of commodity costs of each shipment that accompany the debit advices as prescribed in paragraph 4.41.
- 5.4 Field Office Commodity Accounting for Stockpiles Acquired by Inter-

Office Transfer

5.41 Commodity Acquisition The Bureau of Finance and Administration in each field office shall maintain a commodity acquisition account for all commodities sent to a stockpiling warehouse as a result of an inter-office transfer, which will be written up from the debit advices received from the office to which it reports, as prescribed in paragraph 4.43. Each debit advice shall be charged to the afore-mentioned account and credited to the current account of the regional office to which the field office reports, or to Headquarters if it reports to Headquarters. Subsidiary accounts shall be maintained by the ten standard commodity classifications used in financial reporting. Those accounts shall be supported by appropriate registers in which shall be entered the priced copies of the transfer requisitions prescribed in paragraph 5.3.

5.42 Commodity Distribution Priced copies of delivery orders and transfer requisitions prescribed in paragraph 5.3 shall be entered in appropriate registers in the Bureau of Finance and Administration by the ten standard commodity classifications, from which monthly summary entries shall be recorded in the general ledger account for commodity distribution. Where confirmatory governmental acknowledgments are used as referred to in paragraph 4.71, they shall be related to the delivery orders and maintained in file to support the accounts.

5.43 Reporting. The Bureau of Finance and Administration of the field office shall report commodity acquisition and distribution in its periodical reports to the office to which it reports.

5.5 Field Office Commodity Accounting for Commodities Acquired Locally Commodity accounting for commodities acquired locally and stockpiled shall be in accordance with section 3 and paragraph 5.4 hereof.

5.6 Brindisi Warehouse The Brindisi warehouse shall be treated on a stockpile basis and shipments to it shall be in accordance with the procedure prescribed in paragraph 4.4 hereof. Commodity accounting at the Brindisi warehouse shall follow the procedure prescribed in paragraphs 5.1, 5.2, 5.3 and 5.4. When onward shipments are made from Brindisi, a memorandum debit advice shall be sent to the field office in the recipient country (e.g. Albania) and that office shall obtain the receipt from the government of the recipient country in accordance with provisions of paragraph 4.6, and return it with the copy of the debit advice to the Brindisi office where

it shall be retained in file to support the commodity accounts.

- 5.7 Warehouse Records at UNRRA Operations In cases, such as the UNRRA refugee camps, where the commodities are considered as distributed at the time of their delivery to the camps, the warehouse records should be maintained after the time of the write-off to distribution in accordance with the "Operations Manual" in quantity only, and prices and value will not be placed thereon.
- 5.8 Trans-shipment Warehouse Where commodities are warehoused for trans-shipment purposes only, with the exception of those shipped to Brindisi, copies of the documentation prepared at the time of reshipment shall be submitted by the field office to the Bureau of Finance and Administration at the regional office (or at Headquarters) to which the field office reports, at which level the appropriate entries will be made to the controlling accounts. Warehouse records should be maintained in accordance with the "Operations Manual" in quantity only, and prices and value will not be placed thereon.
- 5.9 Effective Date for Warehouse Monetary Accounting Recording in monetary terms in the accounts of the Bureau of Finance and Administration of the field offices as prescribed in section 5 for stockpiling operations shall apply only to shipments initiated as from 1 November 1945. Monetary accounting for shipments initiated prior to that date will be maintained at the regional office level. With respect to inventories in stockpiles representing commodities shipped prior to 1 November 1945, a separate quantitative record shall be maintained in the field office on an unpriced basis to 31 December 1945. At that time, any remaining stock shall be priced and thereafter complete monetary accounts shall be maintained at the field office. On the regional office accounts, the charge-off to commodities distributed expense as at 31 December 1945 shall be the total value of commodities shipped to the stockpile prior to 1 November 1945 less the value of inventory at 31 December 1945 and subject to any reported deficiencies that will be written off.

6. Commodity Losses

6.1 Losses in Transit

6.11 Documentation In addition to the distribution prescribed for accounting purposes in paragraph 4.6 of documentation evidencing receipt of commodities, copies of the prescribed documentation shall be distributed as follows: for shipments originating in the Western Hemisphere, two copies to the Bureau of Supply at Headquarters; for shipments originating in the Eastern Hemisphere, two copies to the Bureau of Supply at the European Regional Office, or to the Bureau of Supply at the regional office acting as a procuring office. For the purpose of accounting for losses and establishing claims, one of those copies shall be made available to the Bureau of Finance and Administration. These copies of the documentation shall be forwarded as prescribed for all shipments regardless of whether they were for direct delivery to a recipient country, to an UNRRA operation, or to a field office for stockpiling.

6.12 Accounting for Losses. With respect to shipments received from the Western Hemisphere, the cost of commodities lost in transit shall be recorded in a register in the Bureau of Finance and Administration in Headquarters, through a medium of the discrepancy reports included in the documentation referred to in paragraph 6.11, and shall be entered in summary form in the controlling general ledger commodity accounts as a charge to a losses in transit account. Accounting for losses in transit for commodities shipped from the Eastern Hemisphere shall be maintained in a similar manner by the European Regional Office and by other procuring regional offices.

6.2 Stockpiling Losses

Stockpiling losses is defined as commodity losses occurring at field offices required to keep commodity accounts for stockpiles as prescribed in Section 5, between off-loading from vessels and final delivery to a recipient country or utilization on an UNRRA operation.

6.21 Documentation. Stockpiling losses shall be documented at the inventory-taking period by means of a discrepancy report as prescribed in the "Operations Manual".

6.22 Authority for Write-Off. It shall be the responsibility of the chief of the field office (mission or otherwise) to approve the write-off of commodity losses as reflected by the discrepancy report prescribed in paragraph 6.21.

6.23 Accounting for Losses. After approval by the chief of the field office as prescribed in paragraph 6.22, stockpiling losses will be charged in the commodity accounts of the Bureau of Finance and Administration of the field office to a commodity losses account and will be reflected in the periodical financial reports to the office to which the field office reports.

6.3 Other Warehouse Commodity Losses

In warehouses where no monetary accounting is maintained, records being kept in quantity only (see paragraphs 5.7 and 5.8), commodity losses shall be documented in quantity by means of a discrepancy report as prescribed in the "Operations Manual". It shall be the responsibility of the chief of the field office (mission or otherwise) to approve the

discrepancy report. An original signed copy shall be forwarded to the office to which the field office reports at which level the value of the commodity losses shall be entered in the controlling commodity accounts as a charge to commodity losses.

7. Military Surpluses (U. S. Army)

7.1 Operating Procedures

The operating procedure for the acquisition and distribution of U. S. Army surpluses is set forth in the document "Operating Procedures Applicable to Area Surplus Procurement Agents Procuring U. S. Army Surplus Property in the ETO and the MTO under the Non-Reimbursable Provisions of the U. S. Contribution."

7.2 Accounting Features

The accounting procedure incorporated in the operating procedure for the acquisition of military surpluses has been devised to correspond with the principles of commodity accounting as prescribed herein in order to provide for the integration of the accounts reflecting transactions involving military surpluses into the Administration's commodity accounts. The following sections summarize the accounting features of the operating procedure for the acquisition of military surpluses.

- 7.21 Commodity Acquisition. Delivery and passage of title of commodities by the Army to UNRRA shall be evidenced by depot shipping tickets obtained at the time of shipment of the commodities from the Army depot. One copy shall be available to the accounting section of the Surplus Property field office. These depot shipping tickets may or may not be priced; however, there will be a very short time lag before receipt of priced depot shipping tickets and transfer invoices referred to in paragraph 7.23 (a).

7.22 Commodity Distribution

- a. Three copies of the depot shipping tickets obtained at the time of shipment of the commodities from the Army depot will be sent by the Surplus Property field office to the field office in the recipient country.
- b. One copy, receipted by an official representative of the recipient country, will be returned to the accounting section of the Surplus Property field office.
- c. If convoy or ocean shipment is involved, delivery certification of convoy notes or bills of lading by an official representative of the recipient country will be returned to the accounting section of the Surplus Property field office.
- d. Certifications of losses in transit shall be returned by the field office in the recipient country to the accounting section of the Surplus Property field office.
- e. Signatures evidencing receipt of commodities and certification of losses must be acceptable in accordance with provisions of paragraph 4.61 (1).

7.23 Accounting at the Surplus Property Field Office

- a. The Army and Navy Liquidation Commission will furnish the Surplus Property field office with copies of priced depot shipping tickets and transfer invoices. The latter are the basis of the charge to the U. S. Contribution in Washington, copies being forwarded by the Army and Navy Liquidation Commission to the appropriate government agency in Washington.

In the event of adjustments to prices on the basis of final negotiations in Washington, such adjustments will be reflected in the accounts at the Headquarters level.

- b. The accounting section of the Surplus Property field office will record the transfer invoices in appropriate registers as reflecting the cost of commodities acquired.
- c. The accounting section of the Surplus Property field office will relate in the appropriate registers receipts and certificates of losses returned to it from the field office in the recipient country with the record of shipments.
- d. The accounting section of the Surplus Property field office will retain a complete file of depot shipping tickets, transfer invoices, receipts and certificates of loss from recipient countries, to support its accounts.
- e. The accounting section of the Surplus Property field office will, semi-monthly, compile debit advices for each recipient country reflecting the value of the property delivered, classified according to the ten standard commodity classifications used in the financial reports. The debit advices shall reflect, also, as a separate item, the value of losses in transit from the Army depot to the point of delivery to the recipient country. The debit advices shall contain references to the Army and Navy Liquidation Commission transfer invoices from which they will be compiled. Copies of the debit advices will be forwarded by the accounting section of the Surplus Property field office to the Bureau of Finance and Administration of the regional office to which it reports (in the case of offices in Europe, to the European Regional Office), and of Headquarters.

f. The accounting section of the Surplus Property field office shall prepare a quarterly report reflecting the value of commodities acquired and of commodities distributed. This report will reflect the value of commodities acquired but not yet delivered to recipient countries with reference to the Army and Navy Liquidation Commission transfer invoices. It will be submitted to the Bureau of Finance and Administration of the regional office to which the office reports, with a copy to the Bureau of Finance and Administration at Headquarters.

7.24 Accounting at the Regional Office. The Bureau of Finance and Administration of the regional office to which the Surplus Property field office reports (in the case of offices in Europe, the European Regional Office) shall incorporate the debit advices and quarterly reports prescribed in paragraph 7.23 (e) and (f) in its controlling general ledger commodity accounts. The value of commodities acquired shall be a charge to the commodity acquisition account and a credit to the Headquarters' current account for the account of the particular Surplus Property field office. The value of commodities delivered to recipient countries shall be charged to the commodities distributed account.

7.25 Accounting at Headquarters. With respect to Surplus Property field offices reporting directly to Headquarters and excluding those located in Europe, the Bureau of Finance and Administration at Headquarters will charge commodity acquisition and credit the U. S. contribution on the basis of debit advices received; it will debit commodities distributed for deliveries to recipient countries. With respect to offices reporting to a regional office, the Bureau of Finance and Administration at Headquarters will charge the regional office's current account and credit the U. S. contribution for the value of commodities acquired as reported on copies of the debit advices prescribed in paragraph 7.23 (e). It will reconcile the charge to the U. S. contribution made on the books of the appropriate government agency in Washington on the basis of references to

the Army and Navy Liquidation Commission transfer invoices shown on the debit advice and the copies of the quarterly reports received from the Surplus Property field offices. It will make necessary adjustments in the accounts to reflect price adjustments resulting from final negotiations in Washington.

8. Non-Expendable Property to Which Title Remains with UNRRA

8.1 General Policy

In the Administration's general accounts, the cost of non-expendable property to which the Administration retains title will be written off immediately to expense. Property records must be maintained, however, by all offices of the Administration to insure accountability for all property in their custody or under their control.

8.2 Types of Non-Expendable Property Covered by This Order

8.21 Property Acquired for Use by UNRRA for Administrative Purposes. Such property is that commonly classed as administrative equipment such as office equipment and other equipment required for the maintenance of the Administration's offices and office services, whether they be administrative offices such as Headquarters or a regional office, or operational offices in the field.

8.22 Property Acquired for Use by UNRRA for Relief and Rehabilitation Operations. Such property includes equipment for clinics, dispensaries, feeding kitchens and operations of a similar nature conducted directly by UNRRA. It includes also trucks and automotive equipment owned by UNRRA and used by it in distributing commodities in behalf of a recipient country.

8.23 Equipment on Loan to a Recipient Country. Such property includes heavy industrial or transportation equipment temporarily on loan to a recipient country to which UNRRA retains title.

8.3 Responsibility for Maintenance of Property Records

8.31 Bureau of Finance and Administration. It shall be the responsibility of the Bureau of Finance and Administration in each office of the Administration to maintain property accounts in accordance with procedure prescribed in the "Administrative Property Accountability Manual" for property described in paragraphs 8.21 and 8.22.

8.32 Bureau of Supply. It shall be the responsibility of the Bureau of Supply in each office of the Administration to maintain property records and controls for property described in paragraph 8.23.

8.4 Documentation of Shipments of Property Covered by This Section

The Bureau of Finance and Administration at Headquarters, with respect to shipments from the Western Hemisphere of property described in paragraph 8.2, and the Bureau of Finance and Administration at the European Regional Office, with respect to such shipments from the Eastern Hemisphere, shall prepare a separate debit advice reflecting the value of such property which shall be transmitted and processed in accordance with the general procedure governing the issuance of debit advices as prescribed in Section 4.

8.5 Recording Value of Non-Expendable Property

As stated in paragraph 8.1, no asset value of the non-expendable property referred to in paragraph 8.2 will appear in the general accounts of the Administration's offices. Each office shall record, however, in its property accounts prescribed in paragraph 8.3 the value of the property as reflected in the debit advices prescribed in paragraph 8.4.

8.6 Transfer of Title to a Recipient Country

If title should eventually be transferred by UNRRA to a recipient country for any of the property covered by paragraph 8.2 an adjustment shall be made between the appropriate expense accounts taking into consideration the factor of depreciation of the equipment.

R. G. A. Jackson
Senior Deputy Director General

UNRRA

310 - (FI - 23)
INCOMING TELEGRAM

NUMBER: 7096
FROM: London
DATED: 5/12/45
RECEIVED: 5/12/45 - 11:25 a.m.

Your 7648 and 7693.

Have cabled urgently Frankfurt and Haaren re Clifford Binkert, John N. Wiley.

DISTRIBUTION:

DG - 2
SDDG - 1 -
DDG(Rooks) - 1
DDG(Hendrickson) - 1
*DDG(Gill) - 2
OCM - 2
PT - 5
FILES - 2

(SECRET BOOKS)

46

Dist. 2:47 p.m.
an - 3:35 p.m.

UNRRA

310 (FI-28)
OUTGOING TELEGRAM

NUMBER: 7693
TO: London
RECEIVED CABLE SECTION: 3/12/45 - 12:30 p.m.
DISPATCHED: 3/12/45 - 1:55 p.m.

To Division of Accounts & Audits

Reour 5078. Urgent forward Travel Authorization Clifford Binkert, FI-23 transcript account showing all salary living quarters payments made John M. Wiley.

Drafted by:
FLariviere (Accounts)
30 November 1945

Cleared by:
F. & A.

DISTRIBUTION

DG - 2
SDDG - 2
DDG (Rocks) - 1
DDG (Hendrickson) - 1
DDG (Gill) - 1
OCM - 3
FI - 1
FILES - 2

(SECRET BOOKS)

42

4400 - Binkert, Clifford
4400 - Wiley, John M.

NOTICE: INFORMATION COPY ONLY.

UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION

FORM AD-87
(REVISED)
(7 MAR 45)

CROSS REFERENCE SHEET

DATE: 26 November 1945

CROSS INDEX: 310(Commodity Accounting)

TO: L.J. Lismer

FROM: L.G. Mileski

SUMMARY: "I have received a copy of Mr. F.W. Bellow's memo addressed to yourself, relating to accessorial charges in connection with our Commodity Accounts."

RECORD FILED: 857 (Accessorial Charges)

TYPIST: LAS

DATE: 1/12/46

UNRRA

OUTGOING TELEGRAM

310

(Paybook)

NUMBER: 7203
TO: London
RECEIVED CABLE SECTION: 21/11/45 - 1:25 p.m.
DISPATCHED: 21/11/45 - 3:55 p.m.

Attention LeGros from Lismer

To expedite proceduralization and installation here paybook procedure cable reply following queries soonest.

1. We assume paybook sections 2, 3 and 4 are to set forth authorizations for employee's financial arrangements only and not to serve as posting record of transactions. Cannot understand therefore purpose last column, section 4.
2. Assume date entered date columns sections 2, 3 and 4 to be date representing beginning period from which financial arrangement effective. Otherwise no clear indication else where when entitlement to drawings in field commences.
3. What purpose does yellow record card serve not covered in other features of procedure? Explain purpose.
4. Are foreign nationals working ERO London office and Washington HQ office with home stations elsewhere to be issued paybooks or carried on payrolls with respect field allotments?
5. We assume that if paybooks not used in ERO as in 4 above we will continue issue form FI-23 for personnel despatched to ERO for service there or reassignment to field and paybooks will be issued ERO for latter.
6. Assume paybooks to be issued in normal operation by recruiting offices or offices from which employees despatched for field service, excepting as in 5 above, with particulars sent to home stations for creation personal accounts if home stations other than such offices.

(2)

7. We interpret Category B employees memorandum 22 October to refer to a phase of operation rather than to class of employee, the procedure described to be that of home station, either mission, ERO or HQ for so-called Category C employees. Field procedure for Category C employees contained Paragraph 3 of memorandum.

8. Believe simpler home station procedure than that prescribed Paragraph 1 Category B would be to post general accounts from payrolls under standard procedure with collateral credit postings to personal accounts for field allotments only and Personal Account Control a memorandum account for proving collateral detail personal accounts. Do not see necessity adjustment prescribed first paragraph Page 2 as we assume field offices' quarterly financial reports will reflect personal service expenditures including field allotment payments and will be consolidated at ERO for preparation its reports.

9. Assume quarterly statements of personal accounts prescribed Paragraph 8 memo 22 October must be complete transcripts otherwise reconciliation with paybook entries at field office impossible. As paybook is basic and original record do not see that quarterly statements are medium of proving correctness and periodical balance can be ascertained from paybook itself. Why are quarterly statements necessary?

10. Are you furnishing field offices with approved facsimile signatures authorized for entries in sections 2, 3 and 4 of paybook and instructing only those signatures be recognized?

11. Are you forwarding HQ lists of personnel by field office and necessary details for whom required personal accounts must be established at HQ?

12. What are effective dates for us to establish personal accounts for offices under ERO?

Drafted by:
FMBellows (Procedures)
19 November 1945

DISTRIBUTION:

LG - 2
SDLG - 1
DDG (Hendrickson) - 1
DIG (Gill) - 1
OCM - 2
FIA - 1
FI - 1
FILES - 2

(FREE BOOKS)

FORM AD-87
(25 FEB 1946)

UNRRA

CROSS REFERENCE SHEET

DATE

20 November 1945

CROSS INDEX

692 -

310 - (Commodity Remittances)

TO

Div. of Monetary Research
U.S. Treasury Dept.
Washington, D.C.

FROM

Harry W. Knight
Div. of Finance

SUMMARY

Special Licence for UNRRA Remittance to China through Office of Fiscal
Director, U. S. Army

RECORD FILED

China - 305 Spc. License, for UNRRA Remittances)

TYPIST

kw

DATE

12 June 1946

UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION

FORM AD-87
(REVISED)
(7 MAR 45)

CROSS REFERENCE SHEET

DATE: 15 November 1945

CROSS INDEX: 310 (Personnel Action)

TO: Malcolm G. Catlin

FROM: Fred K. Hoehler

SUMMARY: "Attached is Form P-39 requesting establishment of additional position - Special Representative - in the Div. on Displaced Persons."

RECORD FILED: 400 Sommer, Stanley L.

TYPIST: LAS

DATE: 11/24/45

UNRRA

INCOMING TELEGRAM 310

(Paybooks)

NUMBER: 6106
FROM: London
DATED: 13/11/45
RECEIVED: 13/11/45 - 6:27 a.m.

Your 6810.

Paybooks on order.

Do you require acquittance rolls and summaries if so what quantity?

DISTRIBUTION

DG - 2
SDDG - 2
OCM - 2
*FA - 2
AS - 1
FILES - 2

(FREE BOOKS)

41

Dist. 7:45 a.m.
mtj - 2:30 p.m.

FORM AD-87
(25 FEB 1946)

UNRRA

CROSS REFERENCE SHEET

DATE

30 October 1945

CROSS INDEX

310 (Debit and Credit Advice)

TO

D. Bannerman Clark

FROM

Voucher Audit Section

SUMMARY

Overseas Debit and Credit Advices

RECORD FILED

Yugoslavia Mission 310 (Debit and Credit Advice)

TYPIST

mal

DATE

25 Mar 46

UNRRA

OUTGOING TELEGRAM 310

(Paybooks)

NUMBER: 6810
TO: London
RECEIVED CABLE SECTION: 10/11/45 - 12:30 p.m.
DISPATCHED: 10/11/45 - 1:30 p.m.

To Division of Accounts and Audits

Please expedite shipment 5000 paybooks. Request made to Campbell whilst in Washington.

Drafted by:
J.W. Fairchild (Payroll)
8 November 1945

DISTRIBUTION:

DG - 2
SDDG - 2
OCM - 2
FA - 2
AS - 1
FILES - 2

(FREE BOOKS)

36

UNRRA

INCOMING TELEGRAM

310 (-Commodity)

NUMBER: 898
FROM: Sydney
DATED: 2/11/45
RECEIVED: 2/11/45 - 6:20 a.m.

Reur 758.

Request allotment of Australian funds to 31 December, 45.

- (1) Home salary payments Australian Personnel abroad 56,512.
- (2) Travel expenses, excluding return fares, 67,470.
- (3) Operating Programmes, used clothing collection 80,000. Same
3 purposes first quarter 1946.

- (1) 49,677
- (2) 32,000
- (3) 10,000

All amounts pounds Australian. Justification being airmailed.

DISTRIBUTION

DG - 2
SDDG - 2
OFE - 3
*FA - 2
Supply - 1
FILES - 2

(FREE BOOKS)

44

✓
X-8W P 40-331
Dist. 10:20 a.m.
lrt 12:59 p.m.

UNRRA

INCOMING CABLEGRAM

310

(Commodity)

Cather
Smith

NUMBER: 898
FROM: Sydney
DATED: 2/11/45
RECEIVED: 2/11/45 - 6:20 a.m.

180,838
215,904
256,000
652,742
158,966
102,400
32,000
293,366

Rear 738.

Request allotment of Australian funds to 31 December, 45.

- (1) Home salary payments Australian Personnel abroad 56,512. ✓ 180,838 ✓
- (2) Travel expenses, excluding return fares, 67,470. ✓ 215,904 ✓
- (3) Operating Programmes, used clothing collection 80,000. ✓ Same 256,000 ✓

- (1) 49,677 ✓ 158,966 ✓
- (2) 32,000 ✓ 102,400 ✓
- (3) 10,000 ✓ 32,000 ✓

All amounts pounds Australian. Justification being airmailed.

DISTRIBUTION

DG - 2
SDDG - 2
OFE - 5
*FA - 2
Supply - 1
FILES - 2

(FREE BOOKS)

44

INFORMATION COPIES IN PROCESS OF DISTRIBUTION

NOTICE: THIS COPY CHARGED TO RECIPIENT WHO SHOULD TAKE ACTION IMMEDIATELY AND RETURN THIS COPY, TOGETHER WITH THE COPY, TO THE CABLE SECTION. IF NO ACTION REQUIRED INDICATE ☐ NO ACTION; WITH _____ INITIALS (OF RECIPIENT), AND RETURN TO CABLE SECTION. IF THIS ACTION COPY IS MISDIRECTED NOTIFY CABLE SECTION IMMEDIATELY, EXTENSION 144.

Dist. 10:20 a.m.
12:59 p.m.

ACTION COPY

UNRRA

310 (F1-23)
INCOMING TELEGRAM

NUMBER: 5580
FROM: London
DATED: 30/10/45
RECEIVED: 30/10/45 - 2:20 p.m.

Urgently awaiting FI-23 and other details required our 3979, reference
Brazilian Personnel.

DISTRIBUTION

DG - 2
SDDG - 2
OCM - 2
*FA - 2
PT - 5
FILES - 2

(FREE BOOKS)

45

Dist. 2:20 p.m.
brt 2:59 p.m.

UNRRA

310 (Commodity)
OUTGOING TELEGRAM

NUMBER: 6003
TO: London
RECEIVED CABLE SECTION: 20/10/45 - 2:15 p.m.
DISPATCHED: 22/10/45 - 12:15 p.m.

Attention: Herbert and Lejeune.

Reur 4603 re commodity accounting field reports.

1. Reporting order cleared, effective November report. ERO will be requested to advise country missions to discontinue reporting Items A1, 2, and 3 of A120 after October report. Following refer your paragraphs.

2. Agreed.

3. Supply Department ERO fully responsible for supervision of warehouse practices, records and commodity reports, as described in A.O. 76 and proposed reporting order. Supply has no responsibility maintenance financial records.

4. (A) Supplement A contains 49 items. Unable apply world average price policy without this degree detail. Propose this as goal with understanding modifications may prove necessary.

(B) Agreed.

(C) Agreed.

(D) Agreed.

Drafted by:
LCVass (Supply)
13 October 1945

DISTRIBUTION:

DG - 2
SDDG - 2
OGL - 2
GC - 2
FA - 1
Supply - 15
FILES - 2

UNRRA

310 (Commodity)

NUMBER: **OUTGOING TELEGRAM** 5990

TO: London

RECEIVED CABLE SECTION: 20/10/45 - 1:45 p.m.

DISPATCHED: 21/10/45 - 5:55 a.m.

Presiding from Hendrickson.

1. Re commodity accounting, field reports. HQ Supply Bureau requires more comprehensive reports from field offices on receipts and issues of supplies than provided by Items A-1, 2, and 3 of your Administrative Order Al20, for purpose own records and to implement A.O. 76, which makes Supply Bureau responsible for physical accountability and reporting on UNRRA stocks, warehouse losses, etc.

2. Supply Bureau has prepared order requiring accountability reports from all field offices. Draft copy of this Order carried ERO by Bellows.

3. Duplicate reporting of course intolerable. Supply Bureau order will give ERO essential information from country missions while Al20 not adequate HQ purposes and does not cover all field offices. Therefore issuance Supply Order necessary.

4. Copies Supply Bureau order will be airmailed soon ERO and field offices effective for preparation report covering November. Imperative you notify country missions to discontinue reporting Items A-1, 2, and 3 of Order Al20 after report covering October.

Drafted by:
LCVass (Supply)
18 October 1945

DISTRIBUTION:

DG - 2 FA - 1
SDDG - 2 Supply - 15
OCM - 2 FILES - 2

(SECRET BOOKS)

X312

Form
(Revised)
(7 Mar 45)

UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION

CROSS REFERENCE SHEET

DATE: 12 October 1945 Incoming telegram
CROSS INDEX: 310 (commodity)

TO:

FROM: Chungking 1083 dated 12 October 1945

SUMMARY:

Re: method of accounting for commodities.

RECORD FILED: China Office 310 (commodity)

TYPIST: mar

DATE: 10/19/45

UNRRA

310 (Commodity)
INCOMING TELEGRAM

NUMBER: 4972
FROM: London
DATED: 11/10/45
RECEIVED: 15/10/45 - 2.40 p.m.

Gill from P. A. L. Howbell.

1. Conference LeGros, Bellows, Palmer, clarified agreeably commodity accounting for conference Rome purposes and agreement on surplus property accounting procedure basis prior correspondence and your cable 5553. LeGros reporting internal audit and other progress by letter and cable. prior to November 2 meeting. LeGros does not want Yourstoun (sic) ERO.

2. Personnel recommend immediate appointment Roy Jacobson in staff capacity temporarily on Washington Budget line for handling American Personnel under ERO and as first assignment the five returnees case. Also desire two persons addition for staff assignment with American personnel at Frankfurt and Salzberg. Send soonest China recruitment ERO allocation left in Washington by Palmer. For Coxad, inform Kremer when China personnel specifications sent and forward another set next traveller. Personnel Manual progress satisfactory and will be ready for Rome. Clothing meeting later.

3. Jack Lloyd returning Washington direct as mission appears completed and no need at Rome meeting.

DISTRIBUTION

DG - 2
SDDG - 2
*FA - 2
FILES - 2

(NO BOOKS)

1211

310 (Commodity) *hill*

ACTION COPY

NUMBER: 4972
 FROM: London
 DATED: 11/10/45
 RECEIVED: 15/10/45 - 2:40 p.m.

Call from P.A.L. Howbell.

1. Conference LeGros, Bellows, Palmer, clarified agreeably commodity accounting for conference Rome purposes and agreement on surplus property accounting procedure basis prior correspondence and your cable 5553. LeGros reporting internal audit and other progress by letter and cable prior to November 2 meeting. LeGros does not want yourstoun (sic) ERO.
2. Personnel recommends immediate appointment Roy Jacobson in staff capacity temporarily on Washington Budget Line for handling American Personnel under ERO and as first assignment the five returnees case. Also desire two persons addition for Staff Assignment with American Personnel at Frankfurt and Salzburg. Send soonest China recruitment ERO allocation left in Washington by Palmer. For Cozad, inform Kremer when China Personnel specifications sent and forward another set next traveller. Personnel Manual Progress satisfactory and will be ready for Rome. Clothing meeting later.
3. Jack Lloyd returning Washington direct as Mission appears completed and no need at Rome meeting.

This has already been done as we found that Howell left cable sent to 7th.

DISTRIBUTION

DG - 2 ✓	*FA - 2
SDDG - 2 ✓	HB - 1
OGM - 2	PT - 5
FE - 5	FILES - 2 ✓

(SECRET BOOKS)
 51

Dist. 3:41 p.m.
 brt 4:10 p.m.

ADVANCE ACTION COPY: Information copies in process of distribution.

UNRRA

INCOMING TELEGRAM

310

(Commodity)

NUMBER: 4972
FROM: London
DATED: 11/10/45
RECEIVED: 15/10/45 - 2:40 p.m.

Gill from P.A.L. Howbell.

1. Conference LeGros, Bellows, Palmer, clarified agreeably commodity accounting for conference Rome purposes and agreement on surplus property accounting procedure basis prior correspondence and your cable 5553. LeGros reporting internal audit and other progress by letter and cable prior to November 2 meeting. LeGros does not want yourstoun (sic) ERO.

2. Personnel recommends immediate appointment Roy Jacobson in staff capacity temporarily on Washington Dudget Line for handling American Personnel under ERO and as first assignment the five returnees case. Also desire two persons addition for Staff Assignment with American Personnel at Frankfurt and Salzburg. Send soonest China recruitment ERO allocation left in Washington by Palmer. For Cozad, inform Kremer when China Personnel specifications sent and forward another set next traveller. Personnel Manual Progress satisfactory and will be ready for Rome. Clothing meeting later.

3. Jack Lloyd returning Washington direct as Mission appears completed and no need at Rome meeting.

DISTRIBUTION

DG - 2 *FA - 2
SDDG - 2 MD - 1
OCHI - 2 PT - 5
FE - 5 FILES - 2

X 400 - Lloyd Jack
X 400 - Jacobson Roy (SECRET BOOKS)
X 313 (Surplus Property) 51

Dist. 3:41 p.m.
b7c 4:10 p.m.

NOTICE: INFORMATION COPY ONLY. ACTION TO BE TAKEN ON ACTION COPY IN HANDS OF PERSON INDICATED BY (*) ASTERISK.

UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION

FORM AD-87
(REVISED)
(7 MAR 45)

CROSS REFERENCE SHEET

DATE: 10 October 1945

Incoming Telegram

CROSS INDEX: 310 (Commodity)
ERO- 310

TO:

FROM: Paris 80

SUMMARY:

For Lismer from Bellows.

Procedure acquisition surpluses provides documentation and processing thereof perfectly compatible commodity accounting procedure administrative order...Etc.

RECORD FILED: Paris office- 777

TYPIST: A.P.

DATE: 11/20/45

UNRRA

OUTGOING TELEGRAM

318
(Commodity)

TO:

Algiers 61; Athens 1080; Caserta 766
Sydney 738; Prague 302; Cairo 822; Chungking
Rome 742; Warsaw 317; Calcutta 10; Manila 36
Belgrade 723; Tirana 161

REPEATED:

London 5518

RECEIVED CABLE SECTION:

10/10/45 - 2:45 p.m.

DISPATCHED:

10/10/45 - 3:00 p.m.

Procedures and forms for commodity accounting set forth in "Operations Manual" now established as standard to be followed in recording physical accountability for UNRRA supplies in all Field Office operations, and for receipting for such supplies at storage point, for warehousing and delivery to consignee. Modifications which may be necessary because of special considerations may be made with approval of Ocean Shipping Division, Bureau of Supply, HQ. Chief of each Field Office responsible for prompt use of standard procedures and forms in pertinent operations under his jurisdiction. Where not applicable, Chief is responsible for immediate notification of Ocean Shipping Division, HQ, describing circumstances. Special procedural instructions will thereupon be issued immediately.

Further responsibility of Chief to see that records and other documents set forth in "Operations Manual", or as modified with approval of HQ, are maintained so that they will be available for audit by internal auditors of Bureau of Finance and Administration and by external auditors of Administration.

Drafted by:
WGDominick/Pintz (Supply)
28 September 1945

DISTRIBUTION:

DG - 2	DP-C - 1
SDDG - 2	DP - 2
OCM - 2	Supply - 15
DA - 2	FILES - 14
FA - 1	
FI - 1	
SER - 4	(FREE BOOKS)

Original delivered
by hand

310 (Commodity Acctg)

9 October 1945

To: Deloitte, Plender, Griffiths & Co.

From: L. J. Lismer

As you are doubtless aware the procedure for Commodity Accounting as set out in Administrative Order No. 76 is being put immediately in force in ERO and other regional offices.

In order to facilitate the work of the Director of Accounts and Audits, ERO, I have agreed that we should recruit here at Headquarters a staff of six or seven who will prepare the debit notes. When these are prepared they will proceed to ERO with the debit notes and report to the Director of Accounts and Audits, London, under whose command they will from that time operate. Their work will consist in setting up necessary registers, proceeding to countries where we have delivered supplies and obtaining from the governments of those countries official receipts as set out in our memorandum letter of 4 October. Having obtained all the receipts for all shipments consisting of the backlog up-to-date they will return to ERO and proceed to complete the accounting records and at the same time deal with the obtaining of receipts of current shipments.

I think it should be made clear that it is Headquarter's responsibility to provide the Director of Accounts and Audits, ERO, with competent people under the leadership of a competent accountant to perform this work. The Director of Accounts and Audits, ERO has in the past month also been extremely busy in reorganizing the Accounts Division there.

With these points in mind, will you please confirm that subject to our obtaining competent personnel and subject to such personnel being able to clear up the necessary duties assigned to them both here and by the Director of Accounts and Audits, ERO, that he shall not be held responsible for any delays in obtaining official receipts from governments due to reasons beyond his control.

LJLismer/mf

UNRRA

*Clear with
Weintraub
Jackson.*

COMMUNICATIONS SECTION
DIVISION OF ADMINISTRATIVE SERVICES

INCOMING MESSAGE

310 (Commodity)

Turkhouse

(823)

NUMBER: 4603
FROM: London
DATED: 5/10/45
RECEIVED: 5/10/45 - 3:00 p.m.

RECEIVED
OCT 8 1945
UNRRA
Records & Reports Division

Commodity accounting - field reports.

1. Weintraub letter 22 September. Regret impossible comment previously owing non-receipt until 3 October. We are of course unaware current discussions Washington and our comments must be read in that light.
2. It is plainly desirable that country missions should not hold goods in warehouses as a normal procedure but should transfer title wherever possible on arrival. It is suggested that that should be made clear and that the procedure proposed is intended to govern the exceptional case. It should, however, be remarked that the Greek Mission is in fact operating on a warehouse basis, but presumably they will be asked to conform with the normal rule as soon as possible.
3. Latest instructions commodity accounting make Bureau Finance Administration responsible for financial accounts for commodities. Bureau Supply responsible for records in commodity terms. You will no doubt clarify responsibility Supply Department ERO for supervision of records to be maintained by supply offices in missions and specify responsibilities assigned to us.
4. In addition to paragraph 2, following are our particular comments on your draft order:-

(A) Supplement A not attached but understand this extends 10 major commod-

ACTION COPY

NOTE: RECIPIENT OF THIS COPY SHOULD TAKE ACTION IMMEDIATELY. IF NO ACTION REQUIRED INDICATE ☐ NO ACTION AND RETURN TO COMMUNICATIONS SECTION. IF THIS ACTION COPY IS MISDIRECTED FORWARD IMMEDIATELY BY HAND TO PROPER PERSON OR RETURN TO COMMUNICATIONS SECTION.

ity classes to about 65 items. Consider this extended breakdown very valuable for reporting as between headquarters and HHO where mechanical analysis possible, but would present difficulties as applied to missions working entirely manual records.

(B) Return from commencement operations through 31 August likely to present considerable difficulty with certain missions. Suggest they be given opportunity to comment before instructions issued, but that they should be instructed to start current reporting without waiting for back-log to be cleared, or for reply to any comments they might have.

(C) It might be well expressly to exclude supplies donated by a voluntary society to a Government but carried on an UNRRA ship.

(D) Paragraph 2 (H) your draft not entirely clear. Suggest deleting words "ships to" in last sentence and substituting "if such goods pass through."

DISTRIBUTION:

DG - 2
SDDG - 2
OCM - 2
GC - 2
FA - 2
*Supply - 15
FILES - 2

(FREE BOOKS)

57

ADVANCE ACTION COPY: Information copies in process of distribution.

Dist. 3:16 p.m.
sc - 3:35 p.m.

UNRRA

INCOMING TELEGRAM

310
(accounting)

NO. BLA: 4603
F.O.: London
DATED: 5/10/45
RECEIVED: 5/10/45 - 3:00 p.m.

Commodity accounting - field reports.

1. Weintraub letter 22 September. No regret impossible comment previously owing non-receipt until 3 October. We are of course unaware current discussions Washington and our comments must be read in that light.

2. It is plainly desirable that country missions should not hold goods in warehouses as a normal procedure but should transfer title wherever possible on arrival. It is suggested that that should be made clear and that the procedure proposed is intended to govern the exceptional case. It should, however, be remarked that the Greek Mission is in fact operating on a warehouse basis, but presumably they will be asked to conform with the normal rule as soon as possible.

3. Latest instructions commodity accounting make Bureau Finance Administration responsible for financial accounts for commodities. Bureau Supply responsible for records in commodity terms. You will no doubt clarify responsibility Supply department HQ for supervision of records to be maintained by supply offices in missions and specify responsibilities assigned to us.

4. In addition to paragraph 1, following are our particular comments on your draft order:-

(..) Supplement A not attached but understand this extends to major commod-

ity classes to about 65 items. Consider this extended breakdown very valuable for reporting as between headquarters and LHO where mechanical analysis possible, but would present difficulties as applied to missions working entirely manual records.

(B) Return from commencement operations through 31 August likely to present considerable difficulty with certain missions. Suggest they be given opportunity to comment before instructions issued, but that they should be instructed to start current reporting without waiting for back-log to be cleared, or for reply to any comments they might have.

(C) It might be well expressly to exclude supplies donated by a voluntary society to a Government but carried on an LHOA ship.

(D) Paragraph 2 (ii) your draft not entirely clear. Suggest deleting words "ships to" in last sentence and substituting "if such goods pass through."

DISTRIBUTION:

DG - 2

SDDG - 2

OCN - 2

EC - 2

FA - 2

*Supply - 15

FILES - 2

(FILE BOOKS)

57

Dist. 3:16 p.m.

sc - 3:35 p.m.

310-(pay book)

5 October 1945

To: Herbert H. Lehman
Director General

From: Corrington Gill

Subject: Speciman Service and Pay Book

I think you will find the attached memorandum and
speciman service and pay book of interest.

Attachment

L. J. Lisner, Director
Accounts and Audits

310- 3 October 1945

Harry W. Knight, Director
Division of Finance

Register of Commodities Lost in Transit

Administrative Order No. 76 on page 5 provides as follows:

"The cost of commodities lost in transit shall be recorded in a register in the Bureau of Finance and Administration in the Regional Office or in Headquarters, wherever the controlling accounts are maintained, through the medium of shortage reports and shall be entered in summary form in the controlling general ledger commodity accounts as a charge to a Losses in Transit account."

It is my understanding that the register referred to in this paragraph will be kept by the Division of Accounts. It will be necessary, however, to develop a procedure whereby the Insurance and Claims Branch of the Division of Finance will be systematically and promptly informed of such losses in order that it may be in a position to press claims wherever recovery is feasible. I shall be very glad to have your thoughts with regard to this matter and to join in the development of a satisfactory procedure.

RRBOYER:HL
cc - Mr. Gill

FORM AD-67
(REVISED)
(7 MAR 45)

UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION

CROSS REFERENCE SHEET

DATE: 1 October 1945

CROSS INDEX: 310

TO: Morse Salisbury

FROM: Sylvia Milrod

SUMMARY: Accounting for UNRRA funds spent in Chicago

"Before I left for Chicago to cover a series of meetings there, I was authorized to employ stenographic help and bring back typewritten transcripts of meetings and interviews I coveredect."

RECORD FILED: 400 Milrod, Sylvia

TYPIST: LAS

DATE: 10/31/45

310 - Personnel Accounts

P

1 October 1945

To: Harry Knight

From: L. J. Lisner

Subject: Policy on Settlement of Personal Accounts

I have read Mr. Taflove's memorandum to you of 29 September concerning the policy on settlement of personal accounts of personnel in relief areas. I am entirely in agreement with Mr. Taflove's ~~portended~~ method in Paragraph 4(b) to overrule London's policy.

I feel that if we agree to meet these amounts without investigating the circumstances behind these requests then we would lay ourselves open to very severe criticism.

LJLisner/mf

cc: Taflove

✓ 01 - (Policy)

UNRRA

310 (Commodity)
OUTGOING TELEGRAM

NUMBER: 5154
TO: London
RECEIVED CABLE SECTION: 1/10/45 - 2:45 p.m.
DISPATCHED: 1/10/45 - 4:00 p.m.

To Division of Accounts and Audits

Your 4262 and 4263.

1. Copy of Administrative Order taken by Jeeter was afterwards amended at another meeting with Supply. Therefore, suggest ignore her copy. Bellows bringing final copy.

2. Your queries in 4263 as follows:

1. Amended.
2. Amended.
3. Agree.
4. Agree.
5. Cannot agree.
5. Afterwards clarified.
7. Commodity accounting at mission level only where stockpile controls necessary.
8. Realize necessity for official recognizable receipts preferably with official stamp on signed certificate. Cable us proportion of official receipts received to date on shipments other than from Western Hemisphere. The Audit Sub-Committee has promised to help in this matter.

3. Bellows arrives Tuesday morning.

Drafted by:
Lisner (Accts & Audits)
28 September 1945

DISTRIBUTION:

DG - 2 FA - 2
SDDG - 1 Supply - 15
OCM - 2 FILES - 2
GC - 2

(SPECIAL BOOKS)

56

NOTICE: INFORMATION COPY ONLY.

29 September 1945

TO: Harry W. Knight

FROM: Nathan Taflove

SUBJECT: Urgent Need of Policy Decision on Settlement of Personal Accounts of UNRRA Personnel in Relief Areas.

1. On 21 August 1945 we initiated action intended to clarify and bring under control the confused situation prevailing in UNRRA missions in relief areas as regards foreign exchange transfers by field personnel. The developments since then have been as follows, (as per the attached copies of the pertinent cables):

(a) 21 August 1945 our Cable No. 3592 to London requesting that effective 1 September 1945, the obligations to transfer foreign exchange from local currency personal accounts be generally terminated. 450

(b) 5 September 1945 London Cable No. 3480 stating that ERO missions were instructed as requested by us. London changed the effective date of application of the new arrangement to 1 October 1945.

(c) 22 September 1945 our Cable No. 4857 to London in which we advised London as follows: 454

"All requests for Foreign exchange transfers out of field mission personal accounts hitherto received by Headquarters are held up for lack of appropriate justification and will not be honored until audited statement of each account is submitted with justification for requested transfer including explanation of conversion formula . . ."

(d) 27 September 1945 London Cable No. 4283 reading as follows: ERO 770

"In order to clear up present position we have been agreeing to transfer undrawn balances in personal accounts of mission employees without close examination unless the case appears to require special investigation. After October 1, accrued salary credits not exceeding one month's salary allotment will be transferred not more often than once a month. After November 1, no accrued living allowance credits will be transferred. In these circumstances consider it too late to give further instructions about the transfers now taking place as proposed in your paragraph (A)."

2. Prior to receipt of London Cable No. 4283, it had been our intention to cable London the names and amounts of all cases for which we have received requests to make U.S. dollar disbursements or settlements, including 35 claims of UNRRA personnel who have returned from the field missions and 70 claims of personnel who are still in the field missions as per the attached specifications compiled by the Division of Accounts. We had intended, upon receipt of an audited statement of each account from the field mission with justification of the requested transfer

X-305 - (Foreign Exchange Transfers)

29 September 1945

or authorization for settlement, to go over the facts very carefully to make sure that the transfer or settlement was reasonable in the light of our commitments to the personnel in each case, with particular regard to our special position as a relief instrumentality in these areas.

3. It is apparent from London Cable No. 4283 that the attitude of the ERO toward the settlement of this problem differs sharply from our conception of this subject. They indicate that they have been authorizing transfers of foreign exchange "without close examination", and they do not agree to have audited statements and proper justification furnished for the requested transfers as proposed in our cable, as they consider it "too late" to give such further instructions to the field missions. There is also an apparent tendency on the part of ERO to delay the introduction of the new system under which UNRRA will discontinue honoring foreign exchange transfers altogether, and they appear to favor further modifications therein. London now also shows that accrued living allowance credits are subject to transfer in foreign exchange, when it was our understanding that such credits cannot justifiably be paid in foreign exchange as they were by all rules a local currency obligation.

4. The settlement of this problem may be considered from two different angles, as follows:

- (a) The easiest way is to agree with London. This means that we do not have to bother London and the field missions any further for extracts of personal accounts and justifications in the cases where transfers have been requested. We simply pay all claims under the rule of convenient procedure adopted by London "without close examination". This will particularly satisfy the employees who will receive these settlements or disbursements without too much scrutiny on our part and without further delay in effecting these payments.
- (b) The alternative method is to overrule London's policy as expressed in their cable No. 4283 of 27 September, and to cable them the names and amounts of all items which are now being held up by us, requesting that each mission concerned therein send us an "audited statement of each account with justification for requested transfer including explanation of conversion formula", precisely as requested in paragraph (a) of our cable No. 4857 to London dated 22 September 1945. We would thereupon go over each case carefully and make our decision on its merits, refusing to allow foreign exchange disbursements where no valid commitment to the employee has been made and where no justification for such payment is possible.

5. The manner in which we decide to handle this problem should properly be the concern of the Administration at a high level in view of the repercussions which this decision may have on UNRRA's relations both with its field personnel and with its member governments. As this matter is of great urgency, would it be possible to obtain a decision immediately?

NTaflove/mq

UNRRA

310-(FI-23)
OUTGOING TELEGRAM

NUMBER: 5078
TO: London
RECEIVED CABLE SECTION: 28/9/45 - 4:30 p.m.
DISPATCHED: 28/9/45 - 5:00 p.m.

Information required returning personnel.

Greece Mission William Cantor FI-23 transcript personal account. ERO Charles Alspach FI-23. Clifford Binkert Travel Authorization. John M. Wiley FI-23 transcript account showing all salary living quarters payments made.

Drafted by:
Lariviere (Accounts)
27 September 1945

DISTRIBUTION:

DG - 2
SDDG - 1
OCC - 2
FA - 1
FI - 1
FILES - 2

(SECRET BOOKS)

Form
(Revised)
(7 Mar 45)

UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION

CROSS REFERENCE SHEET

DATE: 27 September 1945

Incoming telegram

CROSS INDEX: 310 (Commodity)

TO:

FROM: London 4261 dated 26 September 1945

SUMMARY: To Corrington Gill from Jackson.

Re: Request for accomodation for Campbell, Deputy
Director Accounts.

RECORD FILED: 400 Campbell

TYPIST: mar

DATE: 10/4/45

310-
Commodity

SUBJECT: COMMODITY ACCOUNTING

1. PURPOSE: The purpose of this order is to establish the basic procedure to be used by Headquarters, Regional Offices, and Field Offices (Mission or otherwise) in accounting for commodities acquired, on hand, and distributed by UNRRA.

2. OPERATIONS MANUAL: The "Operations Manual" covering storage and transport of UNRRA supplies in areas of relief operations is hereby adopted as the official procedure of the Administration in recording physical accountability for UNRRA supplies.

3. RESPONSIBILITIES: The following are the basic responsibilities of the Bureau of Supply and the Bureau of Finance and Administration with respect to commodity accounting:

A. Bureau of Supply. It shall be the responsibility of the Bureau of Supply

- a. to provide and maintain its prescribed documentation for the acquisition, movement and delivery of commodities,
- b. from such documentation to prepare such statistical records as it may require,
- c. as may be agreed from time to time between the Bureau of Supply and the Bureau of Finance and Administration, to provide the Bureau of Finance and Administration with reports and information from such statistical records as the latter bureau may require,
- d. to provide the Bureau of Finance and Administration with such signed copies of documentation as are required by the Bureau of Finance and Administration for the maintenance of its commodity accounts,
- e. to provide the Bureau of Finance and Administration with such summary reports as may be required by that bureau for reconciliation or for reporting purposes,
- f. to provide the Bureau of Finance and Administration with estimated costs of commodity acquisition when actual costs are not immediately available,
- g. to maintain the procedures and perform the functions prescribed in the "Operations Manual",

26 September 1945 Page 2

- h. to maintain property records and controls over relief and rehabilitation supplies and equipment delivered by the Administration on loan to governments or agencies, for which title remains with the Administration.

B. Bureau of Finance and Administration. It shall be the responsibility of the Bureau of Finance and Administration

- a. to maintain accounts for transactions involving commodity acquisition,
- b. to maintain accounts for transactions involving commodity distribution,
- c. to maintain a file of signed documents supporting the entries in the accounts reflecting commodity transactions,
- d. to maintain adequate warehouse accounting controls over commodity stockpiles in countries where title to commodities remains with the Administration, and
- e. to effect such reconciliations between the commodity accounts and the records of governmental or other agencies as may be necessary.
- f. in accordance with procedure prescribed in the "Administrative Property Accountability Manual," to maintain property accounts for all property acquired for use by the Administration and to which it retains title, regardless of whether the property is used for administrative purposes or for relief and rehabilitation operations.

4. COMMODITY COST: The cost of commodities used in the establishment of the accounting controls described in this order shall be composed of three elements:

Element A: the invoice price of the commodities. When there is included in the invoice price or added thereto an accessorial charge assessed by the procuring agency, such accessorial charge shall be excluded in establishing Element A.

Element B: the accessorial charge assessed by the procuring agency.

Element C: ocean transportation charges.

Entries in the control accounts, either as the result of an original transaction or as a result of the transmittal of a Debit Advice, shall be as follows: Element A of cost shall be charged to the appropriate control accounts distributed between the ten standard commodity classifications used in

26 September 1945 Page 3

the financial reports; Elements B and C will be charged as separate items of operating expense. The Bureau of Finance and Administration in Headquarters will distribute Elements B and C of cost on a pro rata basis in the preparation of the final accounts of the Administration.

If it should be found to be desirable to reflect operations in a country on the basis of world average prices, the required adjustments from cost to a world-average price will be made at Headquarters level.

5. COMMODITY ACQUISITION: The Bureau of Supply in each office of the Administration shall furnish the Bureau of Finance and Administration in that office with the appropriate signed documents required by the Bureau of Finance and Administration for commodity accounting. Such documents shall be recorded by the Bureau of Finance and Administration in appropriate registers from which summary entries shall be made to the controlling general ledger commodity accounts.

Where actual costs of commodity acquisition are most immediately available, the Bureau of Supply shall furnish the Bureau of Finance and Administration with estimated values. For accounting purposes, estimated values of privately donated commodities shall be considered as actual.

Each office's cost of commodity acquisition, either actual or estimated, shall be charged in the commodity accounts in the Bureau of Finance and Administration of that office to a Commodity Acquisition account with respect to Element A of cost as described in Section 4 hereof, and to separate accounts for Elements B and C. Commodity Acquisition accounts shall be maintained by the ten standard classifications of commodities used for financial reports. Credits shall be to the appropriate accounts.

When an estimated value is used, the credit shall be to a suspense account which shall be charged at the time actual cost becomes available with the originally charged estimated value. At that time the appropriate account shall be credited with the actual value and there shall be a debit or credit to a Price Adjustment account for the difference between the originally estimated and the actual cost of commodities. Price adjustments applicable to Element A of cost shall not be distributed between the commodity classifications. Price adjustments to commodity costs which have previously been debited to another office by Debit Advice, will not be passed on to the office debited, but will be retained in the accounts of the originating office. Periodical clearing of the Price Adjustment account which may be necessary will be performed at Headquarters level.

Instructions will be issued subsequently on the procedure for accounting for the acquisition of military surpluses.

26 September 1945 Page 4

6. COMMODITY DISTRIBUTION: The Bureau of Finance and Administration at Headquarters shall issue a Debit Advice to the appropriate Regional Office for all shipments from the Western Hemisphere consigned to Field Offices or operations under the jurisdiction of the Regional Office for direct delivery to recipient countries or UNRRA operations. Resulting therefrom, the Regional Office shall maintain a control Commodity Acquisition account reflecting Debit Advices covering shipments to the area coming under its control. Such Debit Advice shall reflect as to Element A of cost the actual or estimated cost of the shipment by the ten standard commodity classifications used for financial reports, separate amounts being shown in total only for Elements B and C. A memorandum copy of the Debit Advice shall be sent by the Bureau of Finance and Administration at Headquarters to the Field Office immediately concerned for memorandum purposes only, so that the appropriate receipted documents for direct deliveries to recipient countries may be attached thereto and forwarded to the Regional Office. Such Debit Advices shall not be entered in the field office's accounts.

The Bureau of Finance and Administration of the European Regional Office shall follow the same procedure with respect to shipments made from the Eastern Hemisphere to Field Offices reporting to Headquarters or other Regional Offices, the original Debit Advice being transmitted to Headquarters or the Regional Office involved with memorandum copies direct to the Field Office directly concerned. For shipments made from the Eastern Hemisphere to Field Offices reporting to the European Regional Office, the Bureau of Finance and Administration of that office shall issue memorandum Debit Advices to the Field Offices for memorandum purposes only, as shall the Bureau of Finance and Administration of Headquarters for shipments from the Western Hemisphere to Field Offices reporting to Headquarters. The memorandum copies of the Debit Advices shall be utilized by the Field Offices as above.

The above procedure applies also to shipments to warehouses specifically for trans-shipping purposes.

However, for all shipments which are to be stockpiled in a warehouse by a Field Office, Headquarters or the Regional Office to which the Field Office reports shall forward to the Field Office a formal Debit Advice with respect to Element A of cost with memorandum entries only showing the totals for Elements B and C, and shall enter a charge on its accounts against the Field Office for Element A of the cost of the shipment. The Debit Advice will be accompanied by an itemized statement of cost of the commodities shipped which will be used by the Field Office in establishing the warehouse accounting controls described in Section 7 hereof.

Documentation of commodity distribution may be receipted bills of lading or delivery orders, agreed outturn reports, discrepancy reports, or any other form of document acceptable to evidence delivery of commodities to a recipient country or an UNRRA operation. In accordance with the "Operations Manual" it shall be the responsibility of the Bureau of Supply in each office to obtain such documentation. A signed copy must be provided for the Bureau of Finance

26 September 1945 Page 5

and Administration in the Field Office which will be sent by that office to its Regional Office, or to Headquarters if it reports to Headquarters, for accounting action and permanent filing.

If the shipment is received from the Eastern Hemisphere by a Field Office which reports to Headquarters or to a Regional Office other than the European Regional Office, an additional copy of the documentation shall be sent for the purpose of establishing claims to the Bureau of Supply of the European Regional Office which will make the documentation available to the Bureau of Finance and Administration of that office. Similarly, if a shipment from the Western Hemisphere is received by a Field Office that does not report to Headquarters, an additional copy of the documentation shall be sent to the Bureau of Supply at Headquarters for the same purpose.

The value of commodities delivered directly to a recipient country or to an UNRRA operation on off-loading shall be reflected in the accounts of the Bureau of Finance and Administration in the Regional Office to which the Field Office reports, or in Headquarters if it reports directly to Headquarters. Such deliveries shall be recorded at the Regional Office or at Headquarters, wherever the controlling accounts are maintained, in appropriate registers from which summary entries shall be made to the controlling general ledger commodity accounts.

The cost of commodities lost in transit shall be recorded in a register in the Bureau of Finance and Administration in the Regional Office or in Headquarters, wherever the controlling accounts are maintained, through the medium of shortage reports and shall be entered in summary form in the controlling general ledger commodity accounts as a charge to a Losses in Transit account.

7. COMMODITY WAREHOUSING: When it is necessary to stockpile commodities in a warehouse in the field prior to distribution, documentation of the movement of commodities shall be maintained in accordance with the "Operations Manual."

The Bureau of Finance and Administration in each Field Office shall maintain a Commodity Acquisition account for all commodities sent to a stockpiling warehouse, which will be written up from the Debit Advices received from the office to which it reports.

Inventory stock cards shall be maintained by the Bureau of Supply in warehouses to record the quantity status of each type of commodity. Copies of the Transfer Requisitions and Delivery Orders, prescribed in the "Operations Manual," shall be priced by the Bureau of Finance and Administration in the Field Office on the basis of the detailed lists of commodity costs of each shipment that accompany the Debit Advices. Monthly summary entries shall be recorded in the accounts of the Bureau of Finance and Administration of the Field Office.

In cases, such as the MERRA refugee camps, where the commodities are considered as distributed at the time of their delivery to the camps, the warehouse records should be maintained after the time of the write-off to distribution in accordance with the "Operations Manual" in quantity only, and prices and value will not be placed thereon.

Where commodities are warehoused for transshipment purposes only, copies of the documentation prepared at the time of reshipment shall be submitted by the Field Office to the Bureau of Finance and Administration at the Regional Office (or at Headquarters) to which the Field Office reports, at which level the appropriate entries will be made in the controlling accounts.

8. EFFECTIVE DATE: This order shall be effective immediately. Immediate steps shall be taken to process documentation and record entries in accordance with the prescribed procedure, for all commodity transactions effected from the commencement of operations to the date of this order. Inventory stock cards shall be established for current inventories and supplementary instructions will be issued covering the accounting for prior receipts and issues from inventories.

CORRINGTON GILL
DEPUTY DIRECTOR GENERAL
FOR FINANCE AND ADMINISTRATION

UNRRA

INCOMING TELEGRAM

310 (commodity)

NUMBER: 4263
FROM: London
DATED: 26 September 1945
RECEIVED: 26 September 1945- 3:10 p.m.
Clear

Presiding.

Our telegram no 4262.

Following queries arise on study of proposed order commodity accounting and cable 4870.

1. Reference paragraph 3, pricing: "US War Food Administration should be adjusted by a deduction of 15/115". Presumably reference is to one Government agency intended as an example of general principle to be adopted for procurement from all Governmental sources.
2. Reference paragraph 3. Computation of approximate landed cost by adding 25 per cent this appears low in the light of information previously given. Please confirm.
3. Reference paragraph 4A, Commodity Acquisition: For information only you should know that procurement of UK Military surpluses follows similar procedure to other procurement from UK Governmental Agencies. Therefore special instructions appear unnecessary in this case.
4. We assume that responsibility for commodity accounting on procurement from US military surpluses in Europe will be vested in Washington.

5. Reference paragraph 4B, Commodity distribution: Our suggestion is that references to operations manual be deleted from this order and that essence of procedures contained therein should be re-issued as a supplement to this order, so that it forms a comprehensive instruction on a matter of vital importance to all missions.

6. We wish to discuss with you sub-paragraph 4 of paragraph 4B as we are not clear what is meant by stock piling in this case or how such shipments can be identified in advance by ERO. Will you please amplify and show relationship with paragraph 4C.

7. I wish to know why monetary accounting is necessary at mission level taking into consideration need for simplification and existence of backlog.

8. Your order does not specify authority required for valid receipts for commodities. In view of likelihood of unrecognizable receipts being received in ERO. We consider it important that authorized signatories be made.

DISTRIBUTION:

DG - 2
SIDG - 1
COM - 2
*FA - 2
Supply - 15
FILES - 2

(FREE BOOKS)

Dist. 5:21 p.m.
an - 9:20 a.m. 27 September 1945

UNRRA

INCOMING TELEGRAM

310

(Commodity)

NUMBER: 4262
FROM: London
DATED: 26 September 1945
RECEIVED: 26 September 1945 - 4:45 p.m.

Clear

Presiding.

1. Received your administrative order commodity accounting together with cable 4870.
2. It has not been possible here to secure agreement on question of principle. Accounts and audit ERO continue to believe that responsibility for maintenance of commodity accounting monetary control accounts should be vested in Washington with regional office and missions reporting necessary data of procurement and distribution. On the other hand supply department would accept the plan outlined in your order with certain exceptions mentioned in separate cable. Both supply and accounts ERO agree that ERO must not be responsible for work entailed in documentation, recording and reconciliation of existing backlog and do not consider practical implementation in ERO of proposed order as it stands "effective immediately" is possible.
3. Decision on /pri atr ?/ can only be secured by discussion in Washington. I have therefore arranged for Campbell, Deputy Director Accounts to arrive Saturday for detailed discussions Monday and

Tuesday preparatory to final discussions upon arrival Jackson on
Wednesday and Thursday.

DISTRIBUTION

- DG - 2
- SDDG - 1
- OCN - 2
- *FA - 2
- FI - 1
- Supply - 15
- FILES - 2

(FREE BOOKS)

55

Dist. 5:00 p.m.
fmw - 9:30 a.m. 27 Sept. 1945