

LISMER, L. J.
SEPT - OCT - 1946

UNRRA -
CENTRAL REGISTRY
INDEX FILES

6 September 1946

TO: Lawrence J. Lisner
Chief, Bureau of Accounts and Finance

FROM: Cornelius Van H. Engert
Assistant Diplomatic Adviser

There is attached for your information a brief memorandum of conversations which Miss Rosemary Miller, of the Bureau of Supply in ERO, had with the British and American Charges d'Affaires in Luxembourg regarding the possibility of obtaining a small contribution from that country.

Miss Miller was in Brussels with Mr. Sayre and Mr. Herbert last month, and she went to Luxembourg at Mr. Sayre's request to report on the situation there.

From her interviews it would appear that both the American and British Charges believe that, in view of the fact that the Belgian Government had promised a contribution, Luxembourg might also be willing to make one.

See in this connection Mr. Sayre's telegram No. 22 from Brussels of 31 August 1946, which is attached.

A telegram was accordingly today dispatched to the Minister of Foreign Affairs of Luxembourg to inquire whether the visit of a small delegation from ERO would be acceptable to the Luxembourg Government.

Attachments 2

c.c. *Bonders*

DA:CVHEngert:mdp

Luxembourg - 301

4 September 1946

TO: R. E. Laidlaw
FROM: P. J. Newman
SUBJECT: Procurement of Fluoroper in Mexico with Free Funds

Letter of Credit No. 29 was issued in favor of Cia Exportadora De Metales, S. A., Chihuahua, Mexico, for the purchase of 1,000 short tons of Fluoroper, f.o.b. vessel Houston, Texas, for delivery to Poland. Payments to be made against sight drafts accompanied by commercial invoice, packing list, cumular invoice, inspection certificate, clean on-board ocean bills of lading.

We are informed that delivery had been completed and that the sum of \$26,985.78 (including all expenses) was availed of against the letter of credit.

Request to Supply No. 58-20 and Budget Allotment Advice No. 6-1194 were issued with respect to the subject purchase.

Refer to file #255

PJNewman/eb

cc - T. W. Whartenby
H. E. Howell

Mexico 7211 (Fluoroper)

21 October 1946.

MEMORANDUM:

TO: Lawrence J. Lisher.
FROM: Ralph H. Boyer.
SUBJECT: "Proceeds of Sale" Report.

1. Attached is a Report based on information received at Headquarters through 21 October 1946, relating to the utilization of the Net Proceeds from Sale of UNRRA Supplies.

2. It is intended to distribute a similar Report on a monthly basis in the future, incorporating same in the Deskbook of Statistics if practicable and possible.

Drafters: RHCrowlamb
Fl. 3rd fl.
La Salle. Ext. 537

Clerances: Tafflove
Polak.

CC: Howell
Polak
Levin
Tafflove.

209 (H. Crowlamb 7 10-24-46)

C.R.

31 October 1945

TO: Mr. L. J. Lissner
Chief, Bureau of Accounts and Finance

FROM: Mr. H. E. Boyer
Director, Division of Finance

SUBJECT: Analysis of Contributions from Private Sources.

Please note the attached analysis of cash contributions received from private sources. The Finance Division has made this analysis in order to determine how much could be transferred out of the Riggs No. 7 Account as already spent. As a result of this study, \$416,582.28 is being transferred to Federal Reserve Account No. 1.

The analysis suggests that several further steps should now be undertaken:

1. Allotments of 4-052-28 and 4-053-28 should be amended to include the overpayment.
2. The Bureau of Supply should be advised to process requests for supplies in order that the uncommitted balance of existing allotments may be spent.
3. That allotments should be drawn for the unallotted balance.

Although the unallotted balance is shown as \$1,284,204.42 as of 30 September, \$1,000,000 has since been transferred to the Director General's account, leaving \$284,204.42 as the unallotted balance available for this purpose.

4. That this analysis of receipts and expenditures be submitted to audit.

Attachment

cc: Mr. Howell
Mr. Ewerdow
Mr. Swenson
Mr. Stephenson

HRBoyer/rk

307 (Private Contributions)

31 October 1945

TO: L. J. Lismer

FROM: P. M. Bellows

In connection with your attached inquiry, the plan originally suggested was to, in effect, extend a credit of \$100,000 to the Yugoslav Government to permit their government representatives to pick up spare parts.

That plan was dropped and London is procuring on the authority of our cable 14062, using an unfilled P.C. Request for P.C. to cover has been made to Swenson and should be issued shortly. There do not appear to be any unusual features.

I am attaching copies of additional cables which refer to this matter.

PMBellows/rf

Yugoslavia 756-11 (File Part)

30 October 1946

TO: L. J. Lisner
FROM: H. E. Boyer
SUBJECT: Funding of Egyptian Contribution

The Egyptian contribution of \$1,446,666.67 has been recorded as \$235,900 for administrative allocations and \$1,210,766.67 for operating purposes.

To date the Administration has found it difficult to come to an agreement with the Egyptian Government regarding the utilization of its contribution. On 23 October 1946, Messrs. Engert and Borders cabled to ERO, (repeated to Cairo) to try to have the Egyptian contribution remitted in pounds sterling covering the outstanding administrative allocations as well as the portion of the operative contribution that could not be utilized in procurement. As regards the latter, we informed London that if we are unable to move the Egyptian Government from its position that two-thirds must be taken in cotton, we must reluctantly agree to accept \$807,177.78 in cotton and the balance of \$403,588.89 should be transferred in sterling. However, if the Administration is to make still further procurement in Egypt, then such expenditures should be deducted from the \$403,588.89.

I shall immediately advise you of the result of the Administration's negotiations with the Government of Egypt, relative to disposition of the contribution.

Clearance:
Mr. Taflove

JTihor/jp/rk

Egypt-301

CR
28 October 1946

TO: L. J. Lisner
FROM: R. R. Boyer
SUBJECT: Extraneous Cash Funds.

I have noted the memorandum of 23 October 1946 from Deloitte, Plender, Griffiths & Co. concerning the above subject.

The Division of Finance has not been asked to operate the cash funds or bank accounts for either the UNRRA Staff Society or the UNRRA Credit Union.

It is my understanding that the Administration has never endeavored to participate in the management of either of these organizations or their funds. Before the Division is asked to solicit the information requested, I believe the Administration might review its policy in this regard.

It should be noted that it is next to impossible to draw the line between these two organizations, the Unrra Branch, Local 3 UPWA, and every dinner or gift of flowers for which a collection has been made.

This does not mean that the Administration should not offer its internal audit facilities to any such organizations participated in by its personnel.

cc: Mr. Palmer

RRBoyer/rk

491—

23 October 1946

MEMORANDUM

TO: Lawrence J. Lisner, Chief
Bureau of Accounts and Finance

FROM: Burton E. Palmer, Chief
Bureau of Administration

SUBJECT: Audit Communication Invoices

As indicated in our telephone conversation of last week, the Division of Administrative Services is planning to discontinue the auditing of cable invoices on 31 October. Mrs. Alice Puffinberger who is now performing these duties will be available for transfer on that date.

Unfortunately, the stringencies of our present ceiling (which were initially responsible for the decision of discontinuing this function) will make it impossible for us to transfer a position authorization with this function. I have asked the Division of Administrative Planning, however, to cooperate with you in establishing a position for this function in lieu of some less necessary position in your Bureau, if you should so desire.

HSWhite:jes
23 October 1946

cc: Div. of Administrative Planning
Div. of Administrative Services

465 —

22 October 1946

TO: Mr. L. J. Lisner

FROM: Irving Swardlow

SUBJECT: Procedure for Reconciling F.A.S. Value of Shipments between
Bureau of Accounts and Finance and Bureau of Supply.

Each of the commodity divisions in the Bureau of Supply is currently checking out their shipments with Fadner's IBM runs. In the course of this check-out they will undoubtedly run into the problem of which shipments are chargeable to their programs and which are not. We would like to make certain that a decision as to how a given shipment is to be charged is not made without full consideration of accounting adjustments required and of availability of funds.

We therefore recommend that a procedure be set for reviewing all cases in which there is any doubt as to where to charge a given shipment. The review to be made by a committee of one representative from the Bureau of Supply, one representative from your shop and one representative from our shop. Each representative will be responsible for seeing that any decision reached will be properly carried through in their division or bureau. We are primarily concerned with making certain that anything that is not chargeable to the country program is properly charged off against a distribution order which is covered by sufficient funds to meet the charge.

The particular areas that will give us the most difficulty are contributions in kind; special deals like the Greek War Relief cattle, for which UNRRA has to pay accessorial charges; supplementary programs, such as the new Polish program of one million dollars; and purchase of commodities by UNRRA as agent for another country, under which the receiving country pays both the cost of the commodity and the freight.

Do you think it advisable to call a meeting of all concerned and set up a formal procedure?

Copy to:

R. H. FADNER - N-101

MLipowits:al

850

~~204~~

22 October 1946

To: Mr. Lawrence J. Minner
From: Burton L. Palmer
Subject: Pre-Audit of Terminations

With reference to your memorandum of 18 October regarding the above, as I wrote you in my memorandum of 6 July I am in complete agreement that there must be close cooperation between the Division of Personnel and the Bureau of Accounts and Finance in order that there will not be overpayments made to terminating employees. However, as I also stated in my memorandum at that time, personnel folders of employees are confidential documents and must be handled with the greatest of care.

I have also had a request from Mr. Davies of Deloitte, Plender, Griffiths and Company, that personnel folders be made available to him, and an agreement has been reached that when Mr. Davies requires personnel folders he will personally request them of the Division of Personnel and these files shall at all times be under his personal supervision. In view of the above arrangements with Deloitte, Plender, Griffiths and Company, I am therefore agreeable to authorizing the Division of Personnel to lend personnel folders to the Bureau of Accounts and Finance. However, before authorizing this, I would like you to nominate either one or two internal auditors who will have the responsibility of requesting the loan of folders from the Division of Personnel and who will assume complete responsibility for these folders while in their possession and will see that no other employees are allowed to handle them.

If you will please give me the names of the auditor or auditors nominated to handle these folders, I will then instruct the Division of Personnel to release the files to them, but only to them on their request.

464(Bre-Audit)

21 October 1946

TO: L. J. Linnar, Chief
Bureau of Accounts and Finance

FROM: B. E. Palmer, Chief
Bureau of Administration

SUBJECT: Proposed Plan to Transfer Home Accounting Office Functions
from New Delhi Office

I regret that it was necessary to delay clearance in the Bureau of Administration of the communications drafted by Mr. Billows looking toward the transfer from the UNRRA Office in New Delhi, India of its home accounting functions including payment of home allowances, accrual of Provident Fund, and termination of India nationals. However, since the proposal has certain precedent-setting features which may be involved in handling the same problem in other UNRRA offices and has implications which affect personnel, budget, reorganization, and liquidation, it was necessary to discuss the matter with the individual divisions in the Bureau. We also brought the matter to the attention of the Far Eastern Affairs staff since it is the authorized liaison channel of Headquarters with the India Office.

I think it an excellent idea to anticipate the closing of the Indian Office by the formulation of a plan looking toward takeover of its home accounting office functions. Certainly, in view of the current uncertainty as to the manner in which these functions have been handled for Indian nationals, it is desirable to secure the complete picture on individual accounts contemplated in your proposed cable. For this reason, however, I think we should defer issuance of any final instructions concerning transfer of home accounting office functions until all the facts are at hand. In general our comments are as follows:

- (1) Any plan that looks toward the four-way splitting of home accounting office functions for personnel with a single home station should be avoided if at all possible.
- (2) Experience in Europe and China has demonstrated the unfeasibility of expecting a field office to make final settlements without some discrepancies and over-payments, owing to misunderstanding of instructions and other circumstances. All previous plans for termination and settlement with employees have been based upon either (a) settlement with employee and termination when he arrives at his Home Accounting Office, or (b) termination in field, direct return of employee to home station, and final settlement of accounts by mail from Home Accounting Office. The proposal here calls for settlement in the field of all phases, including Provident Fund, termination pay, clothing and travel allowances, and estimated travel time back to India.

*India Office - 1406 Home acct
office*

- (3) There is evidently some confusion on the point of payment of home allotments for Indian nationals, especially those in China. There is good evidence that despite (or possibly because of) the absence of any allotment order authorizing payment of home allotments from the Indian contribution, or any other source for that matter, the New Delhi Office is paying home allotments from the Indian contribution. The proposal here would substitute use of dollars for rupees in payment for home allotments, terminal pay, provident fund, etc. This seems a bit hasty if arrangements can be made instead to continue charging such expenditures against the hard-to-utilize Indian contribution, especially if there is an additional contribution.
- (4) The instructions concerning termination are rather confusing. It is not clear whether we are actually going to give dollar bills in Shanghai to Indian nationals there and tell them to buy their tickets home, or whether "dollars" are merely used as a currency symbol in settling their accounts. From the wording of instruction 2(b), when an employee with home station New Delhi is terminated in China, someone will give him enough dollar bills to cover his provident fund, termination pay, bonus, salary during trip home, and transportation costs:

"The London Office will advance the Provident Fund in pounds sterling and the Washington and Shanghai offices in U.S. dollars. Final termination settlements will be paid in the same currencies. Terminated employees will be paid lump sums for the expense of repatriation based on the estimated time of travel."

If our interpretation of the above instructions is correct, this is quite contrary to usual practice. USIA policy in Europe and elsewhere has always been payment in local currency of all cash settlements in the case of field termination. Certainly the China Office, Headquarters, and London Office should arrange the employee's travel or give him nontransferable travel orders; to provide dollar cash in China in these troublesome times is to invite illegal transactions or stealing. Finally, it seems desirable that settlement for provident fund should be paid in rupees through a bank in India, the same as home allotments.

- (5) Paragraph 2(c) states that London, Shanghai and Washington shall make arrangements through their banking connections to pay home salary allotments in India. This is probably not too difficult to arrange in China through some Hong Kong bank perhaps, but it would appear to be poor policy if it substituted a cumbersome new mechanism for the present going arrangement, especially if, as occurred in the case of Latin American personnel, there is any delay in completion of detailed arrangements, with resulting hardship for dependents.

While there are only about 22 persons involved in this case, most of whom are in China, Washington or New Delhi, the same pattern of circumstances will undoubtedly have to be confronted in other areas. It is therefore essential that

any action taken is based on full information and crystal-clear instructions. We recommend therefore that the following steps be taken—

- (1) Request the overlapping data on individual accounts from New Delhi, Shanghai and London, which is described in the proposed cable, but without the advance assumption that any particular new system will be inaugurated.
- (2) Upon analysis of the resulting information, clarify individual accounts, including home allotments and provident fund.
- (3) Inquiry should be made at once concerning
 - (a) the practicability of paying home allotments and other expenditures in rupees through correspondent banks in India, when arrangements have to be made from China, London or elsewhere;
 - (b) the feasibility of charging such expenditures against the India contribution;
 - (c) the status of the annual India contribution, including the necessity of continuing a permanent staff in New Delhi well into 1947 if the contribution cannot be shifted to the India sterling balance in London.
- (4) Determine whether
 - (a) to continue New Delhi as a home accounting office (this might be advisable even if it were necessary to maintain a two-person office there after all other activities had ceased, especially if it were possible to charge allotments, provident fund, separation pay, bonus, annual leave, and other allowances against the India contribution and if it would be easier to arrange for payment of home allotments and other expenditures through more remote channels); or
 - (b) to establish Washington as the sole home accounting office for all India nationals.
- (5) In any case, while preliminary settlements through interim advances could be made by local offices, such as China, the final settlements should be made (by mail if necessary) by the home accounting office after the employee arrived at his home station. In no case, however, would he receive dollar bills in China, or would his provident fund be settled in China.

There may be certain flaws to these individual recommendations, but I believe they point out the general approach which must be taken before final action is determined concerning the disposition of the New Delhi home accounting office functions.

CC: S. T. Croar
F. D. Harris (A. Halver)
D. Brown

H. W. March
R. R. Brown

ILFoerner:mfk

L. J. Lismer

R. J. Youdin

Charge against European Displaced Persons
Repatriation Budget

21 October 1946

I am sending you herewith a copy of Shanghai letter COWA-1578 of 23 September 1946 giving information relating to the repatriation of seven Poles, including the cost thereof. It is felt that you might like to have this information as these expenditures represent a charge against the European Displaced Persons Repatriation Budget.

Attachment

R.J.Youdin/cjj
21 October 1946

647 (Poles)

16 October 1946

MEMORANDUM

TO: Lawrence J. Lisner
Bureau of Accounts and Finance

Attn: Milton Wisser, Chief
Voucher Audit Branch

FROM: Burton E. Palmer, Chief
Bureau of Administration

SUBJECT: Living and Travel Allowance in Siam

The Bureau of Administration has approved a living and quarters per diem allowance of 85 bhat for UNRRA personnel in Siam. According to the Division of Finance, a rate of 10 bhat to the dollar may be used in computing the dollar equivalent, where necessary, of this allowance.

cc: Stanley T. Orear
Albert P. Ingraham
ILPosner:vb
16 October 1946

Lisner - 454 (Living + travel)

15 October 1946

TO: L. J. Lisner
FROM: R. R. Boyer
SUBJECT: New System of Signing Checks.

This is with reference to the new system of requiring the Disbursing and Banking Branch to sign checks in amounts under \$15,000 on the basis of a voucher bearing one signature. It is understood that this is for an experimental period of one month. I should like to call your attention, however, to the fact that this deviates from all principles heretofore followed in making disbursements.

Under the system of a signature from Accounts and a signature from Internal Audit, presumably more than one person had examined the transaction and the second person did it from a fresher point of view.

Prior to the pre-audit system, the Disbursing and Banking Branch signed a check on the basis of the voucher containing one signature from Accounts but supported by the documentation upon which the voucher had been based. In a very real sense the Disbursing and Banking Branch performed a pre-audit function in signing the check.

It is my strong opinion that careful consideration should be given to the fact that under the old system of having the supporting documentation accompany the voucher frequent mistakes were detected by the Disbursing and Banking Branch.

The following is a list of checks issued and voluntarily returned by the payees, stating that the account had been previously paid:

<u>Date</u>	<u>Schedule No.</u>	<u>Payee</u>	<u>Amount</u>
Sept. 30	522	Delaware Lackawana & Western Railroad Co.	\$ 85.00
Sept. 13	504	McGraw Book Co.	51.73
Sept. 16	506	Grover Blackstone	1.11
Sept. 17	509	Western Md., R.R.	537.81
Aug. 23	478	W. W. Sims	21.00
Aug. 8	465	Philps Hardware & Paint Co.	12.00
Sept. 9	494	Maria Antonietta Del Pozzo	148.89

From this it would appear desirable that the final audit of the payment voucher be accomplished during or immediately following voucher audit process, since duplicate payments may not be detected from the invoice or purchase order, but should be caught by reference to the vendor's file in Voucher Audit Section. The Internal Audit functions should be extended in an effort to eliminate duplicate payments, the elimination of this function will have a tendency to increase the number of payments made in error.

Boyer

I do not believe that the proposed system is sound and it is with reluctance that the Division is now forced to sign checks on the basis of a voucher bearing one signature.

It should also be brought to your attention at this time that, normally, a disbursing office includes in its functions the preparation of checks, check registers, and the final release of checks. The Division of Finance has no direct control over the preparation of checks and there is a constant issue of checks improperly addressed. As you will see from the attached memorandum addressed by Mr. Burgess to Mr. Wieser and Mr. Fairchild, an examination of the morning mail register indicates that checks are being returned daily, the majority of cases being for correction of address.

Attachment

HRBoyer/rk

15 October 1946

TO: Mr. L. J. Lisner

FROM: Irving Swardlow

SUBJECT: Checking the Validity of the Shipping Figures.

Our efforts to check the validity of the value of shipments and tons shipped as issued by the Bureau of Supply has been materially hampered by the fact that we have to build up our basis of checking from cumbersome, detailed IBM runs issued by Mr. Fadner's shop. Approximately one month ago, we asked Mr. Fadner to prepare summary cards which would enable us to obtain special runs in the form which we require. These cards have not been prepared as yet due to the overload of work in Mr. Fadner's office.

We are very anxious to obtain through August totals and will be unable to do so unless we receive these summary card runs. We would, therefore, appreciate your placing a priority on this work to assist Mr. Fadner in programming the completion of this project.

MLipowits:al

850-(Figures)

11 October 1946

MEMORANDUM

TO: Mr. Lawrence J. Lisner, Chief
Bureau of Accounts and Finance

FROM: Joseph D. Cooper, Acting Director
Division of Procedural Coordination

SUBJECT: Clearance of Accounting Instructions

Last night I happened by accident to learn of a proposed cable and accompanying instructions entitled "Payment for Home Allotments, Accrual of Provident Fund, and Termination of Indian Nationals" which was circulated for clearance by the Bureau of Accounts and Finance. In glancing over the clearance list I noted that neither the Division of Administrative Planning, which is functionally concerned with liquidation planning, nor the Division of Procedural Coordination, which is concerned with the clearance and coordination of all basic instructions, were listed for clearance.

We have sometimes had to explain to offices that our own clearance interest is not confined to formalized materials which go out as administrative orders or inserts for the basic manuals. We are concerned rather with assuring the Office of the Director General, and the Administration as a whole, that any basic policy and procedural instructions which are published have been reviewed by all those functionally interested, and that any differences have been properly reconciled. Our experience has been that this should be accomplished through the use of formally prescribed clearance channels.

The point I particularly want to clarify is that the necessity of clearance is not governed by the form of issuance. If you would convey this thought to such members of your staff as are responsible for preparation and issuance of instructional materials, it would be very much appreciated.

cc: Mr. Grant
Mr. Palmer
Mr. Thompson
JDCooper/tap

3/0 (Clearance)

10 October 1946

MEMORANDUM

TO: Lawrence J. Lisner
FROM: Richard L. Funkhouser
SUBJECT: Draft Policy on Contributed Commodities

At your request I have discussed with the Bureau of Supply the draft of a policy statement submitted by Mr. Borders in respect to charges to supply budgets for contributed commodities. I am returning the policy statement together with Mr. Borders' memorandum of 28 September.

The principal accounting complications arising out of the policy are (a) the provision that accessorial charges be charged to the supply budget of the intended recipient country; and (b) the inconvenience under which the Commodity Accounting Division functions in respect of contributed commodities by virtue of the uncertainty as to the proper category under which to classify the contribution.

When I called these points to Mr. Bonnell's attention and after checking with Mr. Whartenby, it was agreed:

- (1) That the policy statement be amended to provide that accessorial charges incurred by the Administration in connection with contributed commodities shall be charged to the transportation and warehousing account, not distributed by charges to supply budgets of recipient countries. I am informed by Mr. Whartenby that this change would bring the procedure into line with present practice.
- (2) That the approval of the policy statement as amended above will be on the explicit understanding that the accounting entries covering the distribution of contributed commodities shall be made on the assumption that such commodities are classified as unconditional contributions unless the Bureau of Supply notifies the Commodity Records Division in writing as to which other classification is applicable and the reasons for its recommendation.

730-

From what I can learn, the number of cases in the future to which the policy statement will apply is expected to be extremely limited and it is anticipated that nearly all of these cases will in fact be unconditional contributions. It would therefore be unwise to develop an elaborate procedure for handling them. The objective outlined above is to handle all cases in the normal way unless the Commodity Records Division is notified to the contrary by the Bureau of Supply.

cc: A. T. Bonnell
T. V. Whartenby

RLFunkhouser:ms
10 October 1946

8 October 1946

MEMORANDUM

TO: Mr. L. J. Lisner

FROM: P. W. Jordan

In accordance with recent discussions with Mr. McIntosh and Mr. LaMar of the Internal Audit Staff, the Division of Administrative Services is planning to immediately commence a physical inventory of all non-expendable property under the jurisdiction of the Headquarters Office, including that located in scattered offices in the United States.

The inventory will be prepared to reflect (a) item nomenclature; (b) UNRRA property number; (c) serial number, if applicable; (d) cost; (e) acquisition document reference; and (f) location by building and room number.

It is our plan to prepare a listing of all non-expendable property from the existing property records. Such listing will consist of Items (a) through (e), and Item (f) will be added at the time the location of the property is verified. Items discovered during the process of the inventory will be appropriately added to the listing. Property which cannot be physically located will be deleted from the listing for subsequent inclusion in property surveys in accordance with existing procedure.

It is our understanding that the summary inventory will then be verified within the Bureau of Accounts and Finance with existing Inventory Control Sheets. Any differences may then be verified by examination of the property records of the Division of Administrative Services.

If you have any further suggestions in connection with this inventory, please advise us as our plans are proceeding as outlined above.

PWJ/sfs

Copy to: Messrs. G. L. McIntosh
B. E. Palmer
W. L. Rice

760 - (Physical non-expendable property)

4 October 1946

MEMORANDUM

TO: Mr. Lawrence J. Limer

FROM: William Levin

When the final portion of the U. S. contribution to UNRRA was made available, the over-all Commodity Program out of the non-convertible currency was increased \$184,674,423.

The breakdown of this increase is as follows:

\$ 2,000,000	Additional funds for the Spec. Domestic Procurement Program (This is in process of cancellation bringing the total down again to \$6,800,000).
4,000,000	Additional funds for Adm. Expenses - U.S. Treasury Procurement.
6,000,000	Additional funds for Adm. Expenses - U.S. Department of Agriculture.
6,659,100	Additional funds for Austrian Stockpile.
39,000,000	Additional funds for Balkan Stockpile.
81,756,202*	Additional funds for Regular Procurement Program.
15,259,121	Additional funds for Unallotted Director General Reserve.
<hr/>	
\$ 184,674,423	

- * It has been the policy of UNRRA to earmark funds for certain procurement programs and to throw the unallocated portion into the regular procurement program. This figure is controlled by the State Department based upon Request to Supply going to Treasury Procurement and Agriculture, etc. but, at no time are the requests to exceed our allotment. It is definitely a fluctuating allotment.

The date of 31 August 1946 reflects the figures as of that date, although several of the figures have changed since then. This change will be reflected on orders going out of this office within the next day or so. In the meantime, and for record purposes, we are requesting approval of these documents.

ALMurphy:rl
A&F:DR&OR

307—

2 October 1946

TO: Lawrence J. Lisner, Chief
Bureau of Accounts and Finance

FROM: Wm. L. Rice, Asst. Director-Operations
Division of Administrative Services

SUBJECT: UNRRA Contract No. 75
Space (Rm. 1024) subletted to European
Central Inland Transport Organisation

Permission was granted recently, pursuant to paragraph 3 of the referred to lease contract, by the owners of the Dupont Circle Building for UNRRA to sublet Room 1024, Dupont Circle Building, together with necessary office equipment and supplies to the European Central Inland Transport Organisation. This agreement will not be extended beyond occupancy by UNRRA in lease Contract No. 75 and is subject to all terms of said lease.

Attached herein is check from the European Central Inland Transport Organization in the sum of \$70.00 covering their rent for October 1946.

Attachment 1 - check for \$70.00 in favor of
UNRRA from European Central
Inland Transport Organisation
signed by Mr. Kelly

cc - P. Curcio

WLRice/dg
2 Oct. 46

040 - European Central Inland Transport Organisation

1 October 1946

To: Mr. Lawrence J. Lissner
From: Burton E. Palmer
Subject: Payment of Provident Fund

On the 18th of September I received a memorandum from Mr. C. C. Purvis, Auditor, Internal Audit Staff, stating that he was to be terminated 24 September and had been advised by the Payroll Section that he was entitled to 12% of his total salary as Provident Fund less overtime compensation. Mr. Purvis contended that total salary includes overtime pay and felt that he should receive as payment of Provident Fund 12% of his total salary inclusive of overtime.

Mr. Purvis' memorandum was sent to General Counsel with the request that a ruling be given as to whether an employee is entitled to Provident Fund benefits on overtime worked. I attach herewith a copy of the General Counsel's ruling, in which they state that an employee who works on an ordinary overtime basis for which compensatory leave is allowed is entitled to have Provident Fund deductions and contributions apply to that salary.

In view of the General Counsel's ruling, I therefore feel that Mr. Purvis is entitled to payment which he has requested and also this would apply in any other similar cases which you might have.

Attachment

cc-Mrs. Tallier

4551 (Provident Fund)

MEMORANDUM

1st October, 1946

TO: Mr. L.J. Lisner

FROM: H.E. Howell

As a result of a phone call from Manila today, please take care of the following matters and let me know the results this afternoon:

1. Please see that all reimbursements of Imprest Funds are made at once as this office is completely out of funds.
2. Give them an additional advance to their Imprest Fund to cover a bill for stevedoring amounting to \$10,000 which was approved for payment by them by cable from Dominick. This expenditure need not be reimbursed, or we can withdraw the additional advance upon notification from Manila whichever is the easier.
3. There are a number of people to be repatriated to U.S., U.K., New Zealand, Australia, etc. It is estimated that the cost is \$65,000, will you ascertain:
 - a. Whether or not the Philippine Government should provide these funds out of local proceeds.
 - b. If not, will you immediately cable a special additional Imprest Fund advance of \$65,000.

This also will be non-reimbursable or will be withdrawn in the same manner as item 2.

4. Manila has been instructed to send their reimbursement reports every week, or even more often if they have a very large expenditure reducing their fund. Will you please see that very prompt reimbursement is made.

Harry E. Howell

Philippine Mission - 307 -

30 September 1946.

MEMORANDUM:

TO: Mr. L.J. Lisner

FROM: Louis Swenson

SUBJECT: Funds for Luzon Stevedoring Company

The following excerpt from a telex with Manila is quoted for your information:

"Still awaiting \$60,000 to cover arrears funds for August and additional \$150,000 for September Imprest Fund failure to receive these funds is seriously embarrassing this office. Luzon Stevedoring Company employees quitting work because of failure to receive wages. Provisioning company for Luzon facing bankruptcy because of exhaustion of funds without reimbursement by UNRRA. UNRRA--Luzon employees disgruntled and discrediting UNRRA. Fear protests to consulates. UNRRA account overdrawn by \$42,000. National City Bank of New York (Manila) today notified refusal to accept any more overdrafts from UNRRA. Fleming and Williamson, UNRRA Luzon auditors, status not yet clarified by UNRRA Washington and they have not received any compensation for their services to date. See Fleming and Williamson letter of 20 August to Howell Comptroller. Also, see our 397 dated 19 August. Require immediate action by Washington to prevent further dissatisfaction.

Failure to replenish Imprest Fund delaying issuance termination notices to UNRRA CWT employees account no funds for final payment. Fear termination of agreement by Luzon since they consented to continue on condition availability adequate UNRRA funds. Reur 943 our statement of reimbursement requirements for August and first half September transmitted our 983 dated 16 September."

This statement emphasizes again the very serious problem which arises from the failure of Headquarters to supply adequate funds when needed for movement of watercraft by the Luzon Stevedoring Company. Obviously, unless we get sufficient funds to Manila in advance, we will be faced with the situation of moving our own vessels.

I would appreciate assurance from your office that action is being taken which will insure transmittal of funds as quickly as required. I understand one reason *for* delay is the failure of Manila Surprop Office to submit in time documents to Headquarters covering past expenditures. It seems

050 Luzon Stevedoring Co.

- 2 -

to me that the accountant in the Manila Office, or the auditors (Fleming and Williamson) could advise you by cable that proper accounting is being accomplished, and pending the receipt of proper documentation with supporting papers, funds could be made available to Manila. This procedure is further warranted by the time lag in receipt of mail from Manila.

NBrodsky/EF

Clearance: B.E. McKeever

CC: H. Lamberton
W.G. Dominick
K. Borders

30th September, 1946.

MEMORANDUM:

TO: Mr. L.J. Lissner,
Director of Accounts and Finance.

ATTENTION: Mr. C.G. Mirodian

FROM: Mr. J.K. Angerman,
I.R. Processing Industry Section.

SUBJECT: Authorizations ERO 192 & 218 for Yugoslavia
(Against U.S. Free funds in Switzerland).

Referring to my telephone conversation with Mr. Mirodian, we wish to inform you the status of these two authorizations according to all information received from E.R.O.:

Authorization 192 from May 10, 1946 (according to the London cable #5347).

Textile Machinery Accessories and spare parts:	\$7,000
plus % for ERO	<u>1,000</u>
Total	\$8,000

According to the E.R.O. memo of 19th June, 1946 DES No. 5389, Mr. G.D. Baker to Mr. G.K. Arnold, E.R.O. procured for £ 1911,12,8 i.e. \$7,650.00 without specifying in which country this amount was spent. In our cable 10953 paragraph 4, we stated:

"Authorization 192 (Items 11 to 22) \$7,000
Total committed \$7,650. Transfer \$650 against
Authorization 239."

But in the answer, cable 10999 of Sept. 14th, paragraph 4, London mentioned:

"Authorization 192 \$8,000, item 11 ordered UK 130 pounds sterling say \$570 and shipped. Item 12 Ruti shuttles only procurable Switzerland for 13200 Swiss francs say \$3,070. Item 13 through 21 procured 1781,12,8 pounds sterling say \$7,130. Item 22 Ruti pickers only procurable Switzerland for 10,000 Swiss francs say \$2,400. Above total \$13,120 authorization for supplement of \$5,120 being required."

This information indicates that the amount of £ 1911,12,8 was spent in England, not in Switzerland; ERO now requires an additional \$5,120 for procuring in Switzerland.

L.R.D. - Files
Yugo 203 -

Authorization 218 of 21st May, 1946.

Rubbing leather	\$17,900
plus 15% for ERO	<u>2,685</u>
Total	\$20,585

According to the E.R.O. memo of 19th June, 1946, DES No. 5389, E.R.O. procured for £ 1026,11,8 i.e. \$4,120 without specifying country, and mentioned quotation from Belgium for \$10,693.72 f.o.b. Antwerp.

In our cable 10953 paragraph 7, we stated accordingly:

"Authorization 218 (Item 9) \$17,900 covers commitments sterling 1026,11,8 and Belgium quotation \$10,694."

London answered in cable 10999, paragraph 5:

"Authorization 218, Item 9 rubber leather \$17,900 not yet placed but procurable Belgium \$10,694.
These considered essential."

This information indicates that against this authorization nothing was spent against U.S. free funds in Switzerland.

According to the other paragraphs of the London cable 10999, E.R.O. is now ready to procure in Switzerland different Textile Accessories for Yugoslavia for the amount of \$7,400. In view of the cancelling of all uncommitted balances in E.R.O. we have to send them new authorisations.

Our memo of 20th September addressed to Mr. A.S. Gourvitch, copy of which please find enclosed, states the present demand on U.S. free funds.

Cleared with G.K. Arnold
Bob Cohen
E. Weissmann

cc: Bob Cohen
D. Reiner.

L. J. Lisner
Milton Guttenplan

Billing to International Documents Service

30 Sept. 46

In accordance with agreement with International Documents Service, the following was sent them:

192 copies of "Journal of the Third Session of the Council - London, England."
Retail price - \$2.00 per copy. Ten percent of copies for review purposes.

Items shipped and invoice for shipment based on information received from Frances Randolph, Secretariat.

Will you please furnish the contractor with a billing for this consignment in accordance with terms of UNRRA Contract No. 6. The contractor will then present to the Administration a certified statement of number of publications sold and those on hand.

MGuttenplan/ff

050 - International Documents Service -

27 September 1946

TO: Lawrence J. Lisner, Chief
Bureau of Accounts and Finance

FROM: Wm. L. Rice, Asst. Director-Operations
Division of Administrative Services

SUBJECT: Agreement of Lease - 2342 Massachusetts
Avenue, N. W. - UNRRA Contract No. 37

UNRRA Contract No. 37 was cancelled on 26 July 1946. Under the terms of this Contract, paragraph 17 (b), the Administration entered into an agreement with Mrs. Alonsita Walker, her son and Randall Hagner Company that restoration work would be done by UNRRA at the above described premises. Two copies of agreement are attached for your files.

Kindly issue check to cover restoration work in the sum of \$479.36 and mail to:

Mrs. Alonsita Walker
c/o Randall H. Hagner & Co. Inc.
1321 Connecticut Avenue, N. W.
Washington

Attachments 2

262 (2342 - Mass. Ave. N.W.)

27 September 1946

TO: Lawrence J. Lisner, Chief
Bureau of Accounts and Finance

FROM: Wm. L. Rice, Asst. Director-Operations
Division of Administrative Services

There is attached hereto check No. A32990 drawn in favour of George W. Linkins Company for \$2,291.66 representing rent for the month of October 1946 on the Grafton Annex Building, 1733-1735 de Sales Street, Northwest.

The Grafton Annex has been leased through George W. Linkins Company to the Food and Agriculture Organization effective October 1. This Administration is therefore released from further obligation under the terms of our lease covering the Grafton Annex and Mr. Linkins has accordingly returned our check for the October rent.

A copy of the release of UNRRA from further obligation for payment of rental, restoration of property, etc. is attached herewith for your files. An additional copy of this release will be forwarded when photostats are available.

Attachments 2

- Check in the sum of \$2,291.66 drawn in favour of Geo. W. Linkins Co., 1818 N St. N. W., Washington, D. C.

Release - UNRRA Contract #46

WLRice/dg
27 Sept. 1946

050-Linkins Co, George W.

26 September 1946

MEMORANDUM

TO: Lawrence J. Lismer

FROM: Richard L. Funkhouser

SUBJECT: File of Transfer Receipts from US Department of State

Pursuant to your request of some weeks ago, Colonel Gale and I have explored with representatives of the UNRRA Division of the Department of State the possibility of obtaining duplicate copies of the transfer receipts representing centralized fiscal records of the US contribution to UNRRA. As a result of these investigations, we come to the conclusion that the only feasible and economical solution is for UNRRA to prepare microfilm copies of the transfer receipts on file in the Department of State.

Accordingly, a request has been prepared covering the microfilming of existing transfer receipts and the rental or borrowing of the necessary viewer. A copy of the request is attached.

The microfilm file thus obtained should be supplemented say in February or March of 1947 by additional microfilm records of the transfer receipts applicable to period ending 31 December 1946. The feasibility of utilizing this type of facsimile has been checked with the archivist of the Administration, Mr. Lloyd S. Myer. He confirms that it is a suitable method of obtaining the requisite copies of the documents. As you will note in the attached copy of the request, each microfilm exposure will cost approximately 1 1/2¢ and it is estimated that the entire file now at the Department of State could be microfilmed for approximately \$750.00. The monthly rental of the viewer is approximately \$5.00.

Attachments

cc: W.J. Cole
R.H. Fadner
Deloitte, Plender, Griffiths & Co.
R.W. Ludlow
L.S. Myer
R. Thompson

RLFunkhouser:ms
26 September 1946

75-3-33- (microfilm)

COPI

MEMORANDUM

26th September, 1946

To: Mr. L.J. Lisner
From: H.E. Howell
Subject: Travel Advance Procedure

Will you please see that necessary instructions are issued to implement the attached.

I think it eliminates the use of form F.I-5 - Travel Advance sheet - and will require that every traveller from Headquarters or anywhere else carries a Paybook.

Copy to Mr. A.F.D. Campbell,
E.R.O.



310 (Pay/Book)

MEMORANDUM

26th September, 1946

TO: Mr. L.J. Lissner

FROM: H.E. Howell

SUBJECT: 90 Day Withholding of Provident Fund

I have the report file that has been collected on the matter of a 90 day withholding of the payment of the UMRA Contribution to the Provident Fund.

In the first place, it is quite obvious that UMRA has the right to offset its claim for monies payable by the employees from the Provident Fund after the employees right thereto is vested, so there is no legal impediment.

In the second place, we realise the major purpose of the Provident Fund and, for that reason, do not propose to hold the 5% that the employee has contributed. We all realise that it would be very nice to pay the employee instantly, but UMRA has some right to protect itself. There is ample precedent for delayed payment of such funds as the Federal Civil Service does not make immediate reimbursement and in fact requires the filling out of forms and a fairly long waiting period.

The question of whether or not the records are in good order no one can answer. A recent inspection of offices in Europe shows that the records not only are not in good order but apparently do not exist. In many cases, the employee is at fault because he has lost his own records, or, before more rigid instructions were laid down, persuaded field cashiers to make advances without appropriate notations.

In addition to all this, the flood of work which is now upon us with demobilisations and the serious delays in the mails is making it impossible to clear the employees' accounts promptly. It seems inadvisable to have people sitting around in London and in Washington for several weeks while we straighten out their accounts. It seems to me that the obvious thing to do is to give them the balance of their pay and their own contribution to the Provident Fund, and give them the balance of the UMRA contribution to the Provident Fund at a later date.

We see no reason to make any exceptions. We therefore request that the following order be issued:

/s/ Dues

455.1

Mr. L.J. Lisner

Sheet 2.

"Due to the volume of work involved in the handling pay and travel accounts of employees during the period of demobilization and the necessity for safeguarding the Administration against overpayment, the final settlement of the Administration's contribution to the employee's Provident Fund will not be made at the time of separation but within a period not exceeding 90 days."

Unless such an order is issued, we cannot be responsible for overpayments which are found to be uncollectable from termination personnel.

cc Colonel Palmer

HEHowell/mm

25 September 1946

To: Mr. L. J. Lissner
From: William Levin
Subject: Mr. Boykoff's Memo re Ethiopian Program

We have received a copy of Mr. Boykoff's memorandum, dated 4 September 1946, re "Transfer of Funds - Ethiopian Program" in which he states that 2800 walking plows have been procured in South Africa, costing \$37,500.

He further states, "It then becomes a question of crediting the Supply Budget with the amount involved, \$37,500 and debiting the Operational and Administrative Budget for a like amount."

On 3 September 1946 I addressed a memorandum (copy attached) to Mr. Louis Swenson pointing out the inadvisability of "transferring funds" between major budgets to reimburse specific requisitions.

In the same memorandum of 3 September I recommended an alternative method which contemplated that the Bureau of Supply would advise the Director of the Division of Accounts of items which should not be charged to the Commodity Budget. Copy of such memoranda should go to Mr. William Levin and Mr. Robert McRae for overall budgetary control of funds.

In conversation with Colonel Winburg of Mr. Boykoff's division, it was my understanding that the Bureau of Supply is proceeding with the purchase of items for the Ethiopian Training Program in a variety of countries. You will note that Allotment Advice No. 1-334-01 (copy attached) provides only for the use of United States non-convertible currency. If other currencies are to be used, the Bureau of Supply should be requested to furnish us with information as to their program in order that the allotment may be funded in the proper currencies.

I would like to further suggest that the handling of these charges might be greatly simplified if the Bureau of Supply would indicate upon the pertinent requisition and other papers that the particular item or items should be charged against Allotment No. 1-334-01. If this procedure were followed out, there would be no charges against the Commodity Budgets for which funds later had to be transferred.

307 (transferred)

Mr. L. J. Lismer

26 September 1946

You will note that Mr. Sandoval states in his memorandum to Colonel Winburg that the only reason for charging this \$37,500 charge to the Training Program is that "since our regular agricultural rehabilitation budget is very limited, we are forced to procure them with funds from the Mission's Operating and Administrative budget." This does not seem to be adequate justification, when the purpose of the Operating and Administrative budget is so clearly specified.

A&F:Div. R&OR
RDMcRas:ebp

cc: Abrams

23 September 1946

MEMORANDUM

TO: Mr Lawrence J. Lisner
FROM: Charles H. Alsopach
SUBJECT: A & R Budget

In previous discussions on the implementation of Resolution 99, our thinking has been largely in terms of displaced persons operations in Austria, Italy and Germany. Under that Resolution our responsibility for the European Shanghai group is a continuing one, and I am calling this to your attention so that you may bear it in mind in the preparation of the budget for those operations.

I believe the amount will be relatively small, requiring approximately \$1,000,000 for the first six months of 1947.

SKJacobs:msf

335 (D.P. Operations)

20 September 1946

MEMORANDUM

TO: Lawrence J. Lister
FROM: Richard L. Funkhouser
SUBJECT: POL Deliveries by UHRA to Greece

I have reviewed Miss Owens' memorandum of 17 September on the subject "POL Deliveries to Greece for 1945 - \$5,100,000 in Excess of Authorized Procurement". Specifically, I have checked on the difference between the foregoing figure and the figure of \$2,592,000 furnished by the Industrial Rehabilitation Division. As I suspected, the difference between the two figures results from the inclusion in the former of the estimated ocean transportation charges which are not chargeable to the Industrial Rehabilitation program of operations.

Excluding ocean transportation costs from the calculation, the I.R. Division, on the basis of figures furnished by ANPB and by Uderick for the UK supplies, estimates that the total expenditures are as follows:

POL invoiced by ANPB April - November 1945	\$4,194,000
POL estimated by ANPB December 1945	595,000
January 1946	376,000
Containers furnished by US September - November 45	208,000
POL estimated for UK November 1945	<u>753,000</u>
Total	<u>\$6,133,000</u>

The corresponding I.R. budget for POL and containers for the Greek program is as follows:

POL	\$3,409,000
Containers	<u>130,000</u>
Total	<u>\$3,539,000</u>

Thus the estimated expenditures exceed the budget by \$2,592,000.

It is this figure that is being used by the I.R. Division in stating to the Greek Mission the need for additional reimbursement in order to proceed with other parts of the program of operations.

cc: J. R. Henry
C. V. Mayo

Greece 724 (POL)

19 September 1946

TO: R. W. Ladd
FROM: G. V. Hayes
SUBJECT: Procurement of Raw Linseed Oil in
Argentina with Free Funds

Letter of Credit No. 66, in the amount of \$1,090,000.00, has been issued in favor of Cia Continental de Granos, Buenos Aires, Argentina, for the purchase of 2000 tons of raw linseed, f.o.b. vessel at Buenos Aires. Withdrawals are to be made by sight drafts accompanied by the written approval of the USRA representative, clean on-board bills of lading, commercial invoices, inspection certificates and weight certificates.

We are informed that approval for the use of free funds will be set forth in Budget Allotment Advice No. 6-1309.

Refer to File #143

cc: T. W. Whartenby
H. E. Howell

PJNewman:mfk

*Argentine 751.5 (Linsaid Oil)
H. E. Howell*

19 September 1948

To: H. J. Lisner
From: A. H. Boyer
Subject: Voluntary Contributions

reference
This is with further to your memorandum of 29 August authorizing Mr. John L. Dean to analyze voluntary contributions and procurement leading to the presentation of auditable summaries of receipts and expenditures now made. It is my understanding that the past transactions were reconciled before Mr. Dean left the Administration. There are several problems, however, which deserve further study by the Controller's Office. Among these are:

- (1) Location of authority to initiate allotments on contributions which have been received since the liquidation of VIAL but which were made prior to 1 September;
- (2) A perfection of the procedure for drawing checks on Rigg's Account #7, this involves instructions to Mr. Lazarus' office and to the Division of Accounts in order that vouchers may be properly marked so as to be identified in the check writing room as payable from Rigg's Account #7.

It is, therefore, urged that someone with authority to advise the various Divisions concerned on the correct procedure be designated to undertake this assignment.

RRBoyer/rk

304 —

19 September 1946

TO: Mr. L. J. Lisner

FROM: William Levin

SUBJECT: Approval of Cash Remittances to Supply Missions and
Other Administrative Offices.

We have been receiving requests to approve cash remittances to supply missions and other administrative offices without knowing, however, how much has been previously transferred to date and whether or not such additional requests bring the total for the applicable missions over and above that portion of the allotments which it is anticipated will be needed for expenses payable at Headquarters for home salary allotments, travel and other expenses.

We have endeavored, without success, to obtain either from the Division of Accounts or from the Division of Finance or both, statements showing specifically how much has been transferred to each of these supply missions. Unless we can obtain from them a tabulation to date itemizing such transfers, it will be necessary for us to request the Division of Finance to include in its justification for the request a detail of all transfers which have been made to date for that specific account.

May I have your comments as to which of these two methods is more feasible.

WLevin:rs Div. of R & O R
Financial Resources Branch

304 (Supply Mission)

Central Registry

17 September 1946

To: Mr. Lawrence J. Lister
Attention: Mr. Milton Winder
From: Burtan E. Palmer

In order that the status of the Fellows, with respect to their living and travel allowances, may be straightened out, the following determinations have been made and will be applied in the settling of the individual accounts.

1. All living allowances while in the U.S. or Canada will be computed on the basis of \$6.00 per day, plus \$1.00 per day, in accordance with regulations for Class II employees as contained in War Relocation Authority regulations.
2. Upon arrival in the U.S. or Canada, an advance of two weeks living allowances shall be made to each Fellow. This advance, therefore, shall be in the amount of \$112.00 and shall have no deductions made against this amount.
3. Subsequent payments for living allowances and other authorized expenditures, less any deductions for quarters furnished by the Administration, shall be paid after the first two weeks of residence in the U.S. or Canada and each two weeks thereafter, on the basis of properly signed and documented vouchers only.
4. It is the responsibility of the Fellowship Branch, Division of Personnel, to notify the Division of Accounts and Finance as to the date of departure of the Fellow at least two weeks before the departure of such Fellow. The Division of Accounts and Finance will thereafter adjust the advance against the final voucher payment submitted by such Fellow, together with the amount of the travel advance which will be paid in accordance with paragraph 5 below.
5. The Fellow shall receive the living allowances specified above until the date of departure for return to their home country. Such amount will be paid in final settlement on the basis of a signed voucher submitted at the same time as the notice of departure as specified in paragraph 4, supra. On the basis of such final voucher, an additional sum for Fellows from European countries in the amount of \$25.00 to cover incidental expenses for ship and other transportation shall be paid. This sum shall be in lieu of all other claims due to costs of travel expenses incurred on such return journey. In the case of Fellows from China, the rate shall be \$37.00 on the basis of average travel time from the U.S. to China (17 days); the first ten days are computed at a rate of \$5.00 per day with the remainder at \$1.00 a day.

L. J. Lister

13 September 1946

MEMORANDUM

TO: Lawrence J. Lisner
FROM: Richard L. Funkhouser
SUBJECT: Cable 2191 from Belgrade

At your request I checked on the contemplated action at Headquarters in respect of the recommendation in cable 2191 from Belgrade in which it was proposed that a fund of \$500,000 be assigned to the Yugoslav Mission for the procurement of spare parts, tools, and repair shops to maintain operation of the motor vehicles UNRRA has sent to Yugoslavia.

I am advised by Mr. Gold that the situation is being met by authorizing UNRRA surprop offices in Paris and Caserta to honor orders from the Yugoslav Mission for these items against an allocation of \$100,000. The procurement will be effected against existing requisitions now available to those surprop offices for procurement of supplies.

No procurement funds are being made available to the Yugoslav Mission directly for this purpose. Procurement will be effected through the existing surprop offices. When it is determined that the original allocation of \$100,000 for these supplies is about exhausted, consideration will be given to a possibility of additional allocations.

This solution seems to me to be perfectly satisfactory because it follows existing procedures and utilizes the procurement offices already established.

RLFunkhouser:ms
13 September 1946

Yugoslavia 756-11 (Spare Parts)

12 September 1946

TO: Lawrence J. Lismar
Chief, Bureau of Accounts & Finance

FROM: Wm. L. Rice
Asst. Director - Operations
Div. of Administrative Services

Attached please find executed copy of release between UNRRA and United Nations Clothing Collection Incorporated for all UNRRA furniture and machines, FEA furniture and machines located at 100 Maiden Lane, New York, which have been on loan to UNCC.

Attachment 1

1733.2 —

12 September 1946

MEMORANDUM

TO: Lawrence J. Lisner

FROM: Richard L. Funkhouser

SUBJECT: Clarification of Policy and Procedure on Major Losses of Cargoes

In May I drafted an administrative order establishing the policy and procedure in respect of major losses of cargoes of shipments to recipient countries. However, no order was issued because it was Mr. Howell's view that issuing it as a separate order would give it importance out of perspective to its significance. He suggested that the subject matter be incorporated in a revision of Administrative Order No. 76.

So far as I know, the contemplated revision of Administrative Order No. 76 has never been completed and issued. Consequently the Administration as a whole is functioning without a clear statement of policy and procedure on the question of major losses of cargoes.

With the approaching completion of the program of operations, it becomes essential that adjustments for losses of cargoes are expeditiously and systematically handled both by the field missions and by Headquarters, and are uniformly treated by those in charge of the program of operations and by the accountants. Therefore I suggest that it is desirable to expedite the issuance of a statement of the Administration's policy and procedure on this matter either through a separate order or through a prompt issuance of a revised order on commodity accounting.

RLFunkhouser:mms
12 September 1946

cc: R. Thompson

744 (Losses - Cargo)

12 September 1946

MEMORANDUM

TO: Lawrence J. Lissner
FROM: Richard L. Funkhouser
SUBJECT: Interpretation of Field Administrative Order No. 96

During a conversation with Mr. Paul Boos of the staff of the Yugoslav Mission on 11 September, I was informed that Messrs. Howell and Lee had given an interpretation during the Geneva meeting of Field Administrative Order No. 96. Mr. Boos advised me that the interpretation was to the effect that it was no longer necessary for field missions to dispatch to Headquarters or ERO copies of outturn reports.

The original text of this administrative order was unclear in respect of the requirement of copies of outturn reports being sent to ERO and Headquarters. Consequently supplement No. 1 was issued clarifying that such copies were to be sent by field missions in addition to those signed copies serving as receipts which were to be retained by the chief accountants of the missions. I believe that ERO issued an order corresponding to the original Field Administrative Order No. 96, but I do not know whether it issued the supplement thereto.

In order to assure a uniform interpretation by field missions and by ERO and Headquarters on this matter, I suggest that the question be raised with Mr. Howell and such steps taken as may be necessary to advise the field missions, ERO, and the interested offices at Headquarters as to what the correct interpretation is.

The principal reasons for recommending that copies of the outturn reports continue to be required are (a) they are needed to determine any basis for claims against third parties and (b) they throw valuable information on transfers of damage purchased by the missions as a source of lumber.

RLFunkhouser:mms
12 September 1946

cc: R. Thompson

859(out-turn)

Mr. L. J. Lisner

Harry Lambertson

Cablegram 658 to Rio.

12 September 1946

With respect to your memorandum of 11 September to Mr. Davidson, I am inclined to agree with your "second thought". While for one purpose at least we have held that the Latin American Mixed Commissions are governmental agencies of the supplying government, property used by the Commission but purchased from either UNRRA operating or administrative funds should be considered an asset of the Administration.

HLamberton/gb

Rio Office 700 (Adm.)

11 September 1946

To: Mr. Lawrence J. Lisser
Attention: Mr. Milton Wisser
From: Burton E. Palmer

With reference to those Fellows who are occupying rooms in Dadian Hall, and who give up their accommodation without notifying Dadian Hall with the result that the Administration is billed for accommodation for some time prior to being informed that the Fellow concerned has given up his accommodation, I hereby authorize that the Fellow concerned shall be billed by the Administration for the number of days involved, not to exceed a total of seven days.

cc-Mr. Letcher

492 (Housing fellows)

11 September 1946

To: Mr. L. J. Linner
From: William Levin
Subject: Employees Bonus Plan

We are today issuing allotment advices to reserve funds for the payment of employees under the Employees Bonus Plan as outlined in HQ Administrative Order No. 104 and Field Administrative Order No. 100. These allotments, which are based on figures supplied by the Division of Administrative Planning, are as follows:

Administrative	\$1,380,000
Relief and Rehabilitation	<u>2,238,000</u>
	\$3,618,000

This is approximately \$370,000 more than the figure of \$3,248,711 mentioned in your memorandum of 27 August 1946.

In order to firm up the funding of these allotments it would be appreciated if you would request the Bureau of Administration to undertake a study of the "Home Stations" of employees by categories shown on the estimates of cost of the Bonus Plan.

Mr. McRae has talked with Mr. Boyer of the Finance Division and they concur in a recommendation that the sums set forth in the allotments should be deposited in separate bank accounts. If you concur, will you please issue instructions to this effect to the Finance Division.

AAF:Div. RACR
RIMcRae:ebp

cc: Stanley T. Oren
Ralph Boyer

333

11 September 1946

MEMORANDUM

TO: Lawrence J. Lissner
FROM: Burton E. Palmer
SUBJECT: Living Allowances - China Office

This memorandum is in reply to one received by you from Deloitte, Flanders, Griffiths & Company under the same heading dated 6 September 1946. Deloitte's raises the question as to a difference in language between the Basic Field Manual, Part II, Section 271.1 and the Basic Headquarters Manual, Part II, Section 271.1. Of course, the Field Manual applies exclusively to field operations and the Headquarters Manual applies exclusively to Headquarters operations. In some cases manual provisions are identical; in other cases they are different. The mere fact of their difference does not serve to make one or the other invalid.

Since the China mission is a field office, it is accordingly governed by the Field Manual.

Incidentally, a change has been made in the Headquarters section referred to so that it corresponds with the language in the Field. This, of course, has no bearing on the question raised by the auditors.

The interpretation which should be followed by the China office is as follows:

- a. The Administration will provide personnel with food and lodging of a reasonable standard. When either one or both cannot be provided in kind, an allowance in cash may be made for one or both. (Section 273.)
- b. In addition, where the purchasing power of local currency is such that the cost of incidentals (personal "PK" supplies, laundry, etc.) is substantially greater than at Headquarters, an additional allowance may be paid in local currency to cover the estimated increased costs of living involved. (Section 274.2.)

JDCooper/bls

China Office 454

MEMORANDUM

10 September, 1946

TO: L. J. Lisner
FROM: W. G. Dominick

We are attaching copy of a telegram received from William H. Johnson Jr. Ltd., Montreal, together with a copy of our reply.

The account in question represents a voluminous number of invoices covering small charges. The total sum amounts roughly to about \$5,000. The invoices in question were given to Mr. Kileski last autumn and were subsequently turned over to Mr. Hazell for payment. Mr. Hazell required additional invoices from the William H. Johnson Company to finally clean up the account. These were received about a month ago and Mr. Hazell will personally follow through with the Voucher Audit Division to see that cheque is sent to the William H. Johnson Company.

Encls.

cc: H.A. Hazell

050-Johnson Jr. Ltd. - William H.

9 September 1946

TO: Mr. L. J. Lissner
FROM: William Levin
SUBJECT: Greek Reimbursement of \$5,000,000

3

Heretofore such reimbursements have been handled as net additions to the Administration's resources. This is satisfactory so far as balancing available funds and commitments. However, it tends to overstate the Administration's resources available to meet the program of operations, since the original shipment of the commodities which were later sold is not charged to the program of operations. I therefore propose the following method of handling the Greek reimbursement. In the case of the U. S., the non-convertible contribution and commitments should be debited by \$2½ million and the \$2½ million reimbursement credited as a free fund contribution. Similarly, in the case of U. K., the non-convertible contribution and commitments should be debited by \$2½ million and the convertible sterling credited by \$2½ million. As soon as possible, the sale of fish for \$615,983 and of Greek hospital equipment for \$250,000 should be handled in a similar manner.

I am sending copies of this memorandum to Messrs. Cole, Ludlow, Swenson, Funkhouser, and Boyer for their concurrence.

MAbrams:rs Div. of R & O R
Financial Resources Branch

Greece-306.1

MEMORANDUM

TO: Lawrence J. Lissner
FROM: Barton E. Palmer
SUBJECT: Interpretation of Sick Leave Regulations, Basic Headquarters Manual, Part II, Section 732.1.

This memorandum is intended to set forth the intent of the Administration with respect to the applicability of the liberalized sick leave regulations which went into effect on 3 January 1946, as expressed in Section 732.1 of Part II of the Basic Headquarters Manual.

Section 732.1 read as follows in the 3 January 1946 version:

"Employees holding indefinite appointments shall be entitled during the first three months of actual service, to sick leave at the rate of one and one-half days for each completed month of service. After the completion of three months' service, sick leave will be allowed up to a maximum of six weeks during the first twelve months' service and thereafter up to a maximum of three months in any period of twelve months. Sick leave does not accrue during periods of leave without pay. Where sick leave is not continuous, six weeks and three months shall be taken as 36 and 78 working days respectively."

Immediately upon this section becoming effective on 3 January 1946, any employee who had completed 3 months service as of that date would be entitled to 36 days leave for the balance of his first year of service still remaining, and upon his first anniversary dating from his entrance on duty would then be entitled to 3 months sick leave. Any employee who had completed one year of service on 3 January 1946 would be entitled to 3 months sick leave dating from his first anniversary.

For example, an employee entered on duty 12 May 1945. By the order of 3 January 1946, he became entitled to 36 days sick leave for the balance of his remaining 12 month period minus whatever sick leave he may have taken between 12 May and 3 January. Upon the completion of his first year of service on 12 May, he became entitled to 3 months sick leave for his second year of service, that is from 12 May 1946 to 12 May 1947.

422.5 (Sick Leave)

This interpretation is not to be retroactive in the sense that it entitles the employee to reimbursement for leave without pay or annual leave taken in lieu of sick leave to which he might have been entitled if he had had any available. The Administration should therefore not reopen its leave accounts for any leave taken last year for purposes of making adjustments in pay or in annual leave.

The same interpretation is applicable to employees who have had one year or more of service as of 3 January 1946. Such employees would have available to them for the remainder of their second year of service 3 months of sick leave minus whatever had been taken since the anniversary date of their entrance on duty in 1945.

On 20 July 1946, new leave regulations were promulgated, effective 1 August 1946. With respect to sick leave the previous regulations had stated that an employee would be entitled to 36 working days when taken intermittently. This was a carry-over from the time when a work week consisted of 6 days. Six working weeks therefore accorded 36 working days. The new regulation states:

"Employees holding indefinite appointments shall be entitled to sick leave for bona fide reasons as defined in Section 731. During their first three months of service they may be granted a maximum number of days sick leave corresponding to the number of working days in a calendar week (5 days). Upon the completion of three months service and during the first 12 months of service, indefinite employees may be granted a maximum number of days sick leave corresponding to the number of work days represented by six calendar weeks (30 days) which will include any sick leave taken during the first three months. Thereafter, an employee may be granted, in succeeding periods of 12 months, a maximum number of days sick leave corresponding to the number of working days in a period of three calendar months (65 days). Periods of leave-without-pay shall not be included in computing length of service."

It will be noted that 6 calendar weeks is now interpreted as 30 days and 3 calendar months, formerly interpreted as 78 days, is now considered the equivalent of 65 working days.

The following rules should therefore be observed in determining how much leave should be credited to an employee who was on the rolls on 3 January 1946 and is currently on the rolls:

1. For all employees who were on the rolls as of 3 January 1946 who had served for 3 months, but less than one full year, a credit was to have been entered for 36 days sick leave for the remainder of his first year of service. From this amount was to have been deducted any sick leave taken during 1945.

2. For all employees who on 3 January 1946 had completed one year or more of service, a credit was to have been entered for 78 days of sick leave to be available to them for the remainder of their current year of service, dating from the anniversary of their entrance on duty, minus any sick leave taken in 1945 subsequent to their last anniversary date.
3. The term "months of service" is construed to mean full months of service exclusive of leave without pay but inclusive of any other paid leave. Accordingly, for purposes of leave administration, the anniversary date of an employee shall be moved ahead a sufficient number of days in order to complete a full year of service in the initial year and in subsequent years.
4. Inasmuch as the principle remains firm that an employee still receives six weeks and three months of sick leave, as the case may be, the change promulgated by the regulations effective 1 August 1946 simply restates those weeks in terms of days. From the account of any employee who had credited to him 36 days should be deducted 6 days and from the account of any employee who had credited to him 78 days should be deducted 13 days, as of 1 August 1946. If as of that date this change left any employee in debt to the Administration, it shall be considered that the debt shall be cancelled but that the employee shall not have available to him any additional sick leave for the remainder of that year of service.

*who has
taken leave
without pay*

MEMORANDUM

9 September 1946

TO: Lawrence J. Lister

FROM: Walter H. Boyer

SUBJECT: Reduction of Local Credit in Convertible Funds with Bogota Branch of National City Bank of New York from \$113,280.00 to \$56,640.00 for Procurement of powdered milk in Colombia through Instituto Venezo Industrial.

1. On 19 August 1946, the Division of Finance, in Notice of Contribution 6985, recorded receipt from Colombia of \$1,166,571.42, representing the second installment of Colombia's contribution. Of this amount, \$113,280.00 was set up as a convertible credit at the Bogota Branch of the National City Bank of New York in favor of Instituto Venezo Industrial, covering procurement of powdered milk, and the balance was deposited to our credit with Federal Reserve Bank of New York.
2. We have since been advised by the Bogota Branch of the National City Bank of New York, in their letter dated August 20, 1946, as per attached copy, that they had been instructed by Luis Viel, the Administration's representative, to reduce the credit by half in view of Venezo's inability to deliver the quantity of powdered milk stipulated, and that they accordingly reduced the credit to \$56,640.00 and credited the balance of \$56,640.00 by cable to our New York account on August 19.
3. The Federal Reserve Bank of New York advised us on August 23 that the transfer of \$56,640.00 was received and credited to our account number one. The Division of Finance recorded this credit on Cash Receipt 69480, dated 27 August 1946.

Attachments: 3

JTHar/jed

Clearances:

Talbot

Keller

cc to: Powell

Evans

Carson

Overlow

Quinn

Edlow

Colombia - 723.4 (Milk Powdered)

NATIONAL CITY BANK
of New York
Established 1812

Bogota, Colombia, August 30, 1946

Cable Address "Citibank"

In replying please quote initials NW/PB

The Director General
United Nations Relief and Rehabilitation Administration
Washington, D. C.

Dear Sir:

Reference is made to your cable of August 8th reading:

"1) Reference your cable August 5 and amending our cable of August 7 we request you proceed as follows: balance dollars 113,350.00 previously requested to be paid to Instituto Fomento Industrial should instead be set up as a credit with yourselves to expire 31 December 1946 for payment of drafts from local supplier covering deliveries of up to 300,000 pounds powdered milk FOB vessel Barranquilla to be procured through Instituto Fomento Industrial and our representative Luis Vial. Drafts to be accompanied by written approval of Luis Vial and representative of the Institute and to be submitted with the following documents: six copies each of commercial invoices and weight certificates one original copy and one duplicate copy of clean on board bill of lading two copies of inspection certificates and if necessary consular invoices - 2) Upon payment of each draft please airmail with complete documentation to Division of Finance UNRRA Washington, D. C. and bill us for your respective commission which bill will be paid to your New York Office promptly insurance covered by UNRRA partial shipments permitted - 3) Please deliver copy this cable to Luis Vial and keep him - 4) Authenticating through your New York Office. LeGuardia, Director General UNRRA."

Issuance of the credit was deferred until the return of Mr. Luis Vial from Caracas and after his conversations with the Instituto de Fomento Industrial he instructed us to reduce the credit by half in view of Fomento's inability to deliver the quantity of powdered milk stipulated. Accordingly, of the balance of \$113,350.- we were holding, we remitted to the Federal Reserve Bank, New York on August 19th by cable \$56,625.- for credit to your account No. 1, and have opened our revocable documentary credit No. 0/C 1133 for \$56,625.- in favor of the Instituto de Fomento Industrial, Bogota, in terms of the attached copy. It will be noted that the credit has been opened on a revocable basis. Should you prefer that it be changed to an irrevocable credit, kindly instruct us by return airmail.

Our commission for opening the credit amounts to US\$12.34, which sum we would appreciate your remitting to the National City Bank of New York, 55 Wall Street, New York City, for credit to our account, with reference to our mentioned credit number.

Very truly yours,

cc Mr. Luis Vial, Caracas

(Signed) Warren Wheeler
Sub-Manager

THE NATIONAL CITY BANK OF NEW YORK

BOGOTA (COLOMBIA)

Agosto 20 de 1946.

c/c.

Señores
Instituto de Fomento Industrial
L. C.

Ref: C/A/ 1135-

Muy estimados señores:

Nos permitimos informarles que hemos abierto un crédito revocable a su favor hasta por CINCUENTA Y SEIS MIL QUINIENTOS VEINTICINCO DOLARES (US\$56,625.00) que cubren hasta el valor de 150.00 libras de leche en polvo FOR Vapor en Barranquilla, Colombia, por cuenta de (UNERA) "Administración de las Naciones Unidas para el Socorro y la Rehabilitación", valedero hasta Diciembre 31.1946 y pagadero mediante letras a la vista acompañadas de los siguientes documentos:

- a)- Aprobación escrita del Sr. Luis Vial y del Representante de UNO.
- b)- Seis (6) copias de cada una de las facturas comerciales y certificados de peso.
- c)- Una copia original y duplicado del Conocimiento de Embarque limpio a bordo.
- d)- Dos (2) copias de los Certificados de Inspección.
- e)- También facturas comerciales si fuere necesario.

Los embarques parciales son permitidos.

Sin otro particular por el momento, nos subscribimos,

Attes. E. E. y amigos,

(Signed) Warren Wheeler

Sub-Gerente

Sub-Contador.

ASG/SPR.

6 September 1946

TO: Mr. L. J. Lerner
FROM: William Levin
SUBJECT: General Reserve

As you know efforts have been made, particularly during the past few weeks, to make inroads on the general reserve established by this office by order of the Director General and the Controller. For that reason I wish to point out that according to present indications the general reserve may prove barely sufficient to take care of increased requirements for ocean shipping funds.

The ocean shipping reserve is recorded in the Program of Operations at \$530.5 million and is so carried on our books. This office is making an extensive investigation of the adequacy of this reserve. Although results of this study are not yet firm, preliminary figures indicate that the present shipping reserve may be short by \$50 million or more. This shortage is due in large measure to the numerous additional items that are continually being charged against the Ocean Shipping Reserve. (See attachment 1 for a list of such additional charges).

The reason for the release of this preliminary information at this date is to bring to the attention of the Controller the fact that the general reserve cannot be dipped into to augment the budget of any commodity division. For your information, I am attaching hereto (See attachment 2) a table showing the detailed makeup of the general reserve as it now stands on our books.

WLevin:rs Div. of R & O R
Financial Resources Branch

307 (General Reserve)

Attachment I

LIST OF ITEMS NOT CHARGED AGAINST THE OCEAN SHIPPING
RESERVE BUT WHICH WERE NOT INCLUDED IN THE PROGRAM
OF OPERATIONS

1. Inland transportation costs through Roumania, Hungary, Holland and Belgium.
2. Transit and unloading charges in Trieste and Venezia Giulia.
3. Demurrage charges.
4. Conversion and reconversion of livestock boats.
5. Purchase of Hongkong dollars.
6. China inland and coastal waterway transport costs.

NOTE: A tentative estimate of the total charges involved in the above items is approximately \$30 million.

Attachment II

FUNDING OF GENERAL RESERVE
As of 5 September 1946
(In U.S. Dollar Equivalents)

Source and Type of Fund	Total	Paid or Available	In Process	Anticipated
ALL FUNDS - TOTAL	<u>862,172,827</u>	<u>851,323,081</u>	<u>86,975,855</u>	<u>87,873,891</u>
NON-CONVERTIBLE - TOTAL	<u>65,727,260</u>	<u>50,877,514</u>	<u>6,975,855</u>	<u>7,873,891</u>
Bolivia	64,439	25,913	38,526	0
Brazil	2,121,823	2,121,823	0	0
Chile	2,973,403	0	2,973,403	0
Costa Rica	295,745	112	295,633	0
Dominican Republic	398,500	0	398,500	0
Ecuador	134,602	0	134,602	0
Egypt	1,302,000	1,302,000	0	0
El Salvador	113,351	0	113,351	0
Guatemala	368,351	0	368,351	0
India	1,159,602	0	1,159,602	0
Iraq	187,451	0	187,451	0
Paraguay	28,845	28,845	0	0
United States	45,259,121	45,259,121	0	0
Uruguay	973,403	0	973,403	0
Venezuela	618,434	285,400	333,034	0
Other Than Member Governments	1,854,300	1,854,300	0	0
Anticipated	7,873,891	0	0	7,873,891
CONVERTIBLE - TOTAL	<u>2,445,567</u>	<u>2,445,567</u>	<u>0</u>	<u>0</u>
Brazil	1,902,400	1,902,400	0	0
Egypt	144,667	144,667	0	0
New Zealand	398,500	398,500	0	0