

THE GENERAL BOARD

United States Forces, European Theater

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THE ACTIVITIES OF THE FINANCE DEPARTMENT

IN THE EUROPEAN THEATER OF OPERATIONS

MISSION: Prepare Report and Recommendations on the Activities of the Finance Department in the European Theater of Operations.

The General Board was established by General Orders 123, Headquarters European Theater of Operations, US Army, dated 17 June 1945, as amended by General Orders 182, dated 7 August 1945 and General Orders 312 dated 20 November 1945, Headquarters United States Forces, European Theater, to prepare a factual analysis of the strategy, tactics, and administration employed by the United States Forces in the European Theater.

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THE GENERAL BOARD  
UNITED STATES FORCES, EUROPEAN THEATER  
APO 408

THE ACTIVITIES OF THE FINANCE DEPARTMENT IN  
THE EUROPEAN THEATER OF OPERATIONS

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THE ACTIVITIES OF THE FINANCE DEPARTMENT IN THE  
EUROPEAN THEATER OF OPERATIONS

PART ONE

OFFICE OF THE FISCAL DIRECTOR, EUROPEAN THEATER OF OPERATIONS

CHAPTER 1

INTRODUCTION AND DEFINITIONS

SECTION 1

INTRODUCTION

1. Basis for Study of Finance Department Activities. The activities of the Finance Department in the European Theater of Operations have been divided into three parts. First, the Office of the Fiscal Director, European Theater of Operations. Second, the activities of the Finance Department in the communications zone. Third, the activities of the Finance Department in the combat zone.

2. Type of Study. This study does not advance new theories or techniques for future plans. It describes methods used, states facts, and contains recommendations to improve the techniques developed in the European Theater of Operations.

3. Purpose of Part One. This part explains the development and organization of the Office of the Fiscal Director, European Theater, and of its divisions created for the accomplishment of its mission.

SECTION 2

DEFINITIONS

Accountable Disbursing Officer: Any officer of the Finance Department who disbursed money in his own name and was accountable for same.

Central Disbursing Officer: In the European Theater there were two Central Disbursing Officers. One was located in London, England. Later, after the invasion, another was located in Paris, France. These Central Disbursing Officers, in addition to disbursing as defined above, were charged with funding other disbursing officers, clearing negotiable instruments transferred to them from disbursing officers in the field, and paying commercial accounts.

Finance: The science and practice of obtaining and of expending public revenue or monies, especially used in this study in reference to the Finance Department, United States Army.

Finance Department: A branch of the United States Army devoted to settling all financial matters pertaining to the Army. The Department was organized in 1920, after World War I.

Finance Officer: An officer of the Finance Department, United States Army. When a staff finance officer was charged with administering finance activities of lower units, he was known as a "fiscal officer". Thus, there were the Fiscal Director, European Theater, army group finance officers, army fiscal officers, corps and division finance officers, and finance disbursing officers.

Fiscal: Of or pertaining to the public treasury; of or pertaining to financial matters generally. The term fiscal officer was not put into general use in the Finance Department until August of 1943. See Paragraph 10.

Funding: Funding in the military sense, is the process of furnishing monies to disbursing offices when needed, and of receiving accumulated monies and negotiable instruments from disbursing offices.

## CHAPTER 2

### DEVELOPMENT AND ORGANIZATION OF THE OFFICE OF THE FISCAL DIRECTOR, EUROPEAN THEATER OF OPERATIONS

#### SECTION 1

##### UNITED KINGDOM PHASE

4. Before Activation of European Theater of Operations. The early activities of the Finance Department of the United States Army, in Europe during World War II, are recorded in a monograph written in October 1944 by the Historical Section, European Theater of Operations. The document is titled, "The Special Observer Group, Prior to the Activation of the European Theater of Operations." This monograph also covers the finance activities of the short-lived Headquarters United States Army Forces in the British Isles. In this document the reader finds, that up to June 1942, there were only two Finance Department agencies functioning in Europe. These agencies were: The small finance disbursing office connected with our embassy in London, England, and a finance disbursing section in Northern Ireland. This latter section had arrived early in 1942 with the first contingent of the American forces there.

5. Activation of the European Theater of Operations. The European Theater of Operations was activated June 8, 1942, with headquarters in London. General Orders Number 1 of that headquarters appointed Colonel Nicholas M. Cobbs, FD, as Chief Finance Officer.

6. Principal Mission. The mission of the Chief Finance Officer, European Theater, was to provide complete finance service to the great concentration of American troops about to take place in the United Kingdom, and to lay and execute plans which would render complete finance service to the American troops in the forthcoming cross-channel and Continental operations.

7. Additional Mission. The Chief Finance Officer, European Theater, had a short range mission of providing finance service

to the build-up of American troops in the United Kingdom who were destined to invade North Africa in the fall of 1942, and to assist the finance officer of the African task force, whenever possible, in making plans and furnishing personnel for the African operation.

8. Planning. Until adequate finance personnel could be imported from the United States, the Chief Finance Officer, European Theater, took advantage of time to cable and confirm various requests to the War Department. Numerous conferences and meetings took place with various British Ministries, officials of the Bank of England, the large branch banking houses, and with numerous other British and American governmental and private agencies. The details of these plans, arrangements, and agreements, are dealt with in later chapters of this study.

9. Organization. The first definite step toward physical organization began 20 July 1942. An office of the Chief Finance Officer, European Theater, was opened in Cheltenham, England, utilizing men from a new finance disbursing section, which had arrived from the United States on 14 July 1942. The reason for opening the office in Cheltenham on that particular date, was General Orders Number 19, European Theater of Operations. This order activated the Services of Supply, European Theater of Operations, with headquarters in Cheltenham. The Chief Finance Officer, European Theater, was by this order, the Finance Officer of the Services of Supply. An Office of the Finance Officer, Services of Supply, was opened in Cheltenham the same day, 20 July, 1942. The two offices, Chief Finance Officer, European Theater, and Finance Officer, Services of Supply, were superimposed, the smaller on the larger. The organizational chart of the first office of Chief Finance Officer, European Theater, is appended as Appendix 1. The two offices remained together as one office until April 1943, when the necessity arose to separate them. The Office of Chief Finance Officer, European Theater, was moved to London. The Office of the Finance Officer, Services of Supply, remained in Cheltenham, to finish the mission of servicing the build-up forces in the United Kingdom, in preparation for the mounting operations on the European Continent. At this point, a reference to Appendix 2 will portray the expansion which took place in the Office of the Chief Finance Officer, European Theater of Operations, during the first seven months.

10. Fiscal Director - European Theater of Operations. On 30 August 1943, the Office of the Chief Finance Officer, European Theater of Operations had its title changed to Office of the Fiscal Director, European Theater of Operations, in conformity with a War Department directive. Appendix 3.

11. The Height of United Kingdom Operations. A chart of the Office of the Fiscal Director, European Theater, in April 1944, two months prior to the invasion of the Continent, shows the office at its height in the United Kingdom. Appendix 4. Plans were already made for moving to the Continent.

12. Discussion. In the two years spent in the United Kingdom, the Fiscal Director, European Theater, was primarily concerned with making plans: plans for servicing the build-up of forces in the United Kingdom, aiding in plans for the African invasion, plans for the mounting or cross-channel operations, and plans for the Continental operations. The execution of these plans was the responsibility of subordinate fiscal officers.

## SECTION 2

### CONTINENTAL PHASE

13. General. Starting D-Day, June 6, 1944, the interests of the Fiscal Director's Office, European Theater, focused on the Continent. On June 7, the Headquarters, Services of Supply, was designated Headquarters, Communications Zone, with the staff section chiefs, European Theater of Operations, in charge of corresponding staff sections in the Communications Zone. Thus, the Fiscal Director, European Theater, was Fiscal Officer, Communications Zone. The Advance Section, Communications Zone, was on the ground supporting the action in France. Funding and servicing the disbursing officers without banking facilities presented a most difficult problem. Indigenous currency problems were complex, and were to become more complex with each frontier crossed. Combat was having effects on finance loads. It became necessary to alter the procedures originally proscribed to meet the changing conditions.

14. Maximum Expansion. The Office of the Fiscal Director, European Theater, moved to the Continent August 13, 1944, with Headquarters European Theater. The office formerly known as the Fiscal Office, Services of Supply, in Cheltenham, England, had since 6 June 1944, functioned as the Fiscal Office, Communications Zone. Now, the Office of the Fiscal Director, European Theater, assumed the operational duties of the Fiscal Office, Communications Zone, in addition to its other functions, and the Cheltenham office became the Fiscal Office, United Kingdom Base, Communications Zone.

15. By September 14, the Office of the Fiscal Director, (Fiscal Office, Communications Zone) European Theater, was located in Paris, France, where it remained until war's end. Appendix 5 shows the office as of January 1945. By this time the banking facilities in most formerly occupied countries were functioning quite well, and combat procedures were fairly well founded. The office continued its work on the Continent in almost routine fashion, the major task being operational rather than planning. The end of the war, however, placed in motion the prepared plans for redeployment, the cut in operations, and settling down to occupational work. The Finance Department had completed its operations during active combat in the European Theater.

## SECTION 3

### DISCUSSION

16. Discussion. The administrative control of finance activities in the Army Air, Ground and Service Forces differed. Control in the Army Air Forces was exercised through the Fiscal Officer, United States Strategic Air Forces in Europe. In the Ground Forces, control was exercised through each army fiscal officer. In the Communications Zone, control was exercised through each base, intermediate and advance section fiscal officer. The last by reason that the Fiscal Director, European Theater, was Fiscal Officer, Communications Zone. Each had full administrative jurisdiction over fiscal activities in his echelon, and each was responsible to the Fiscal Director, European Theater of Operations. Conversely, the Fiscal Director, European Theater of Operations was responsible for the success of all finance operations undertaken by these subordinates.

## CHAPTER 3

### THE DIVISIONS OF THE OFFICE OF THE FISCAL DIRECTOR

#### EUROPEAN THEATER OF OPERATIONS

##### SECTION 1

##### INTRODUCTION

17. The Office of the Fiscal Director, European Theater, comprised ten divisions to facilitate functioning as follows:

- a. Administrative
- b. Personnel
- c. Fiscal
- d. Currency, Planning, and Redeployment
- e. Adjustment Account
- f. Sales Audit
- g. Reciprocal Aid and Lend Lease
- h. War Bonds and Insurance (Soldier Savings)
- i. Report of Survey
- j. Receipts, Disbursements and Allotments

The divisions are reviewed individually in order. It will be noted that these are logical divisions which gave the Fiscal Director full knowledge and control of all finance activities in the European Theater, with one exception. The exception was the absence of an historical statistical division devoted to cumulative and comparative analysis.

##### SECTION 2

##### ADMINISTRATIVE DIVISION

18. Introduction. The Office of the Fiscal Director, European Theater, was an administrative office. Quite naturally then, the administrative division of this office was the principal operating division for the Fiscal Director and his deputies.

19. Functions General. The administrative division serviced the Fiscal Director and his deputies, and in addition discharged the following duties:

- a. Published all technical fiscal procedures applicable to the European Theater.
- b. Distributed all Finance Department regulations, directives, and official information to the field.
- c. Controlled the flow of all correspondence and mail directed to or from the Office of the Fiscal Director.
- d. Furnished staff clearance on finance and fiscal matters referred to the Office of the Fiscal Director by the command.
- e. Interpreted laws and regulations peculiar to the Finance Department.
- f. Maintained the files of the Office of the Fiscal Director.

g. Coordinated between the field, the Fiscal Director and the various other sections of the Fiscal Director's Office by proper channelling of operations.

h. Prepared all reports required to be submitted by the Office of the Fiscal Director, after receiving information relative thereto from the proper division of the Fiscal Director's Office.

i. Provided the necessary instruments and authorities to finance officers to quickly place them on disbursing duty. (Bonds, symbol numbers, deputyships, etc.)

The Administrative Division, Office of the Fiscal Director, European Theater of Operations, was the one division which always, out of necessity, was located with the personal office of the Fiscal Director. The other divisions were located usually away or apart from this personal office for lack of space. Every communication into or out of the Office of the Fiscal Director, passed through the Administrative Division.

### SECTION 3

#### PERSONNEL DIVISION

20. Purpose. This division, later known as the Personnel and Control Division was organized to administer finance personnel not assigned to air or ground forces, to control the separate or numbered disbursing sections by proper distribution, and to plan and execute redeployment of finance personnel.

21. Functions. The Personnel and Control Division maintained locator files on all finance personnel in the theater, as well as on all finance and fiscal offices. It maintained monthly rosters of finance personnel present in each office. It controlled all promotions of finance personnel not assigned to air and ground forces. It controlled the transfer of the separate disbursing sections (143 total) between Communications Zone and the five armies, and within the Communications Zone. It had little or nothing to do with basic plans and estimates for personnel requirements until after its arrival on the Continent. This had formerly been a function of the Planning Division.

### SECTION 4

#### FISCAL DIVISION

22. Purpose. The War Department allotted funds to the European Theater for theater operations. This necessitated a fiscal division be established to control, sub-allot, and maintain accurate records of these funds.

23. Functions. All appropriated funds allotted the European Theater Commander were controlled by this division. Allotments of appropriated funds were made to the chiefs of services, army commanders, and base commanders. Records of obligations against these appropriated funds were maintained. Consolidated monthly reports were submitted to the War Department. Instructions were issued on budgetary directives received from the War Department. Budgetary estimates for the European Theater were prepared. Requests from disbursing officers, for funds with which to operate their sterling accounts, were received, approved, and forwarded to the Central

Disbursing Officer. This division also arranged for the Treasury to place necessary credits to the account of the Central Disbursing Officer concerned. It maintained records of payment of British Purchase Tax, and submitted claims for recovery of same by our government.

24. Central Welfare Fund. All non-appropriated (unit, etc.) funds which were found to be excessive, and all non-appropriated funds of closed units, were consolidated into one central fund known as the Central Welfare Fund, European Theater. The chief of this division was custodian of this fund.

## SECTION 5

### CURRENCY PLANNING AND REDEPLOYMENT DIVISION

25. Purpose. This division comprised all the officers of the Office of the Fiscal Director, and performed all the phases of planning.

26. Personnel Planning. In June 1942, this division as its first objective, requested the Fiscal Director, Army Service Forces, Washington, D. C., to organize separate finance disbursing sections identical with T/O and E 7-1. (Infantry Division Finance Disbursing Section). This move was made because no non-organic Finance Department units existed under T/O and E that could be attached to ground, air, or service force units which lacked organic finance service. The recommendation was approved and the first of these finance disbursing sections arrived in October of 1942.

27. Basis for Personnel Requisition. The Planning Division, without prior war experience, used as the basis for the original personnel requisition, the figure of 17 finance men (one disbursing section) to each 12,500 men, or one finance man for each 735 personnel to be serviced. This basis was never altered. The separate finance disbursing sections arrived under an established priority in the troop basis quota for service troops. No data was kept in the Office of Fiscal Director, European Theater, to specifically determine the correctness of this original ratio, or to determine replacement requirements for casualties. In the Army Air Forces, however, it was decided that for each 300 Army Air Force personnel, one finance man was required. This ratio was arrived at by the fiscal officer with the Army Air Forces, European Theater, from statistical data and experience tables compiled in its early operations within the European Theater. This ratio was approved by the Air Force Commander in time for use in the build-up plan of Army Air Force personnel. In the ground and service forces the ratio of 1 to 735 prevailed. See Appendix 32.

28. Planning for the Invasion of the Continent. Standing Operating Procedure Number 11, Appendix 6, which was published by this division, was the guide for finance operations in preparation for the invasion and for Continental Operations.

29. Redeployment. After the initial invasion of the Continent was completed, plans were laid for redeployment of troops upon the cessation of combat. With the completion of these plans, this project was transferred to the Personnel and Control Division.

30. Currency Supply. During the rapid advance through France in August 1944, this division obtained and distributed Belgian, Dutch and German currencies when needed. The supply source was the Bank of England. By October 1944, currencies were secured from the Currency Section, G-5, Supreme Headquarters, located with the missions to the several countries. Plans were made for the securing of funds through the banks of the several foreign countries involved in case the missions ceased operations. When these missions were finally disbanded, the plans became operative and interruption in the securing of necessary currencies was avoided. Several countries withdrew whole issues of currency in their reconversion programs. Plans were made to co-ordinate the operations of these programs with the field disbursing agencies.

31. Discussion. All currency supplies required for the first ninety days of operation, with few exceptions, were secured and transported from the Bank of England to the locations where needed on the Continent. After the Currency Section, G-5, Supreme Headquarters had established bank accounts with the National Banks of France, Belgium, and Holland, currency was furnished by the banks to the Finance Department on the Continent. In Germany and Austria where banks were not used, the currency sections of the two countries supplied the Finance Department with currency.

## SECTION 6

### ADJUSTMENT ACCOUNT DIVISION

32. Purpose. Disbursing officers in the United Kingdom, European Theater of Operations, had sterling bank accounts, (See Chapter 5, Part I). When officers ceased disbursing in, or left the United Kingdom, to proceed to the Continent, they withdrew the cash balance from the bank. Necessarily, there still remained a balance to cover outstanding checks in each account. Control and clearing of these separate accounts became an awkward problem for each individual disbursing officer. This division was established to clear these accounts.

33. Functions. This division was charged with liquidating closed sterling accounts, and receiving undelivered checks from active accounts which were due the payee, when undeliverable for over a period of six months from date of issue. This division also was charged with recovering erroneous payments made to persons residing in the United Kingdom. Balances in closed accounts automatically, after six months, were transferred from the depository bank, to the Official Adjustment Account, which was maintained with the Guaranty Trust Company of New York, London. These balances were reconciled against the outstanding check list furnished by the officer closing the account. All claims for payment on these checks were acted upon, and if proper, new checks were issued to replace outdated checks. When improper, the office cancelled the payment and credited the appropriation from which the original check had been charged. This system was adopted by letter, War Department, for all theaters. War Department Numbered Memorandum 35-44, dated 12 September 1944.

## SECTION 7

### SALES AUDIT DIVISION

34. Purpose. The Sales Audit Division, Office of the Fiscal Director, European Theater, was the agency installed to insure that all funds due the United States, as the result of sales of Quarter-

master Stores and Post Exchange Supplies, in the European Theater, were properly and completely accounted for.

35. Functions. Debit and credit files were maintained for each Quartermaster Sales Officer. Copies of tallies out made by the depots, cash receipts furnished by finance officers, approved Reports of Survey, certified Over and Short and Damage Reports, inventory adjustments, and store inventories made by disinterested officers, were received and filed in this division. When the sales officers' monthly reports of sales were received, they were checked against these files, and audited. Upon completion a certificate of audit was issued. All discrepancies reported were held in a suspense file until corrected. Steps to collect delinquent accounts were initiated by this division.

36. Audit of Supplies Sold the Army Exchange Service. Each Quartermaster depot sales office handled and furnished supplies to Army Exchange Officers. One Army Exchange Service Officer was detailed for the European Theater to handle all payments to the Government on these accounts. The Central Disbursing Officer, Continent, held the Army Exchange Funds in special deposit. Transfers from these funds paid all Quartermaster sales officers' accounts for merchandise furnished the Army Exchange Service. Audits were accomplished by comparing remittance statements furnished with these payments against tallies out furnished by the depots. Volume of business is shown below.

<u>Month</u>	<u>Year</u>	<u>Army Exchange Sales</u>	<u>Sales of Clothing to Officers by QM</u>
January	1944	\$3,760,620.00	\$686,003.05
February	"	4,337,625.00	747,276.80
March	"	5,245,500.00	931,610.43
April	"	5,044,500.00	1,008,614.83
May	"	5,245,500.00	1,130,102.48
June	"	5,447,250.00	927,670.27
July	"	4,438,500.00	1,214,089.03
August	"	3,200,000.00	1,457,361.03
September	"	5,480,000.00	910,476.07
October	"	5,500,000.00	1,980,653.20
November	"	6,500,000.00	1,522,616.17
December	"	8,000,000.00	1,245,971.49
January	1945	6,625,000.00	1,622,460.92
February	"	7,500,000.00	1,470,866.60
March	"	9,200,000.00	1,765,260.68
April	"	11,000,000.00	1,601,426.15
May	"	12,000,000.00	2,428,731.88

37. This division provided the Fiscal Director with a constant check on the money due the United States Government resulting from the sales of government supplies. It definitely provided a means for analysis of the activities of the various sales outlets. It cleared all discrepancies and took action to collect delinquent accounts

#### SECTION 8

#### RECIPROCAL AID AND LEND-LEASE

38. Introduction. The Lend-Lease Act of 11 November 1941, provided for the transfer from the United States Government, of

defense articles to friendly countries under the terms of "Lend-Lease". This act furnished the basis for acceptance of articles from friendly countries by the United States Government, under the terms of "Reciprocal Aid", (Reverse Lend-Lease).

39. Reciprocal Aid. In August 1942, a letter shown in Appendix 7 was received from the War Department, directing the United States Army Forces overseas to take advantage of the principles of Reciprocal Aid whenever possible. The directive also stated that items used would be recorded and reported to the War Department. To perform this function, the Commanding General, European Theater, designated agencies for the receipt of items and services transferred from foreign governments. The fiscal Director, European Theater, was assigned the task of accounting for these transactions in the European Theater.

40. Lend-Lease. In September 1943, instructions from the War Department, required the European Theater also to record and report all services and supplies furnished to foreign governments by the United States Government under Lend-Lease. Appendix 8. The Fiscal Director, European Theater of Operations was assigned this task by the Theater Commander.

41. Organization. The Reciprocal Aid Division of the Office of the Fiscal Director, European Theater, was created to receive and consolidate reports from the 18 using agencies connected with the United States Army in Europe. The division contained a reporting element and a liaison element. When in September 1943, the instructions were received to also report items furnished under Lend-Lease, the division was enlarged accordingly, not disturbing the basic functions of the division. The liaison element of the division left England for the Continent in September 1944, to facilitate the new relations with the foreign government agencies on the Continent. In October 1944, the reports element was divided into a United Kingdom branch and a Continental branch. The reporting branch operating in England recorded all supplies and services furnished or received between the United States, United Kingdom, and Canada, in the European Theater. The branch operating on the Continent recorded similarly all transactions on the Continent relative to all other foreign governments in the European Theater.

42. Difficulties Encountered in Recording Reciprocal Aid. Initially instructions called for reciprocal aid reports to be submitted showing dollar values. The dollar value of a service, or of an article, was by instructions, judged by the American receiving officer. This resulted in many different evaluations of identical items by the various receiving officers. The first reports rendered were necessarily inaccurate; however, they were of extreme value because the reports contained quantity totals as well as dollar totals, and these reports could later be adjusted. It was directed in October 1942, that supplies, or services or facilities received no longer be evaluated by the receiving agencies, unless the actual values were made available by the foreign governments, or unless a procedure existed for arriving at agreed evaluations for all items with the foreign governments. This substantiated the worthiness of the quantity reports mentioned above. The cumulative summary report for the period ending December 31, 1943 consisted of 55,000 different items on 5,400 pages. Conferences within the United States Army Forces in the European Theater were held under the direction of the Fiscal Director, European Theater.

Meetings were held with the agencies of foreign governments. Printed price lists were developed and sent out to assist in the fixation of prices. The foreign governments furnished catalogues and helped to make agreements on prices. Thus, by the time the policy of again reporting reciprocal aid in dollars was required in June 1945, the question of uniform values had been solved.

43. Functions in General. When the division in 1943 assumed the task of recording the reports on Lend-Lease as well as Reciprocal Aid, it had three major functions:

- a. Liaison
- b. Recording Reciprocal Aid by the cumulative total method.
- c. Recording Lend-Lease by the cumulative total method.

The division was charged with securing all possible reports from all possible using agencies. There was no positive means to check that all supplies and services were reported, but with constant communication and liaison, many omissions were found, avoided, corrected, and adjusted. This division in many cases, was required to rework reports submitted in order to produce a consistent summary report. This was true more so at the start of operations. By May 1945, the division had educated the agencies reporting, to such an extent, that the reports rendered could be used without reworking. They could rapidly be audited and incorporated into the summary report.

44. Discussion. The Reciprocal Aid and Lend-Lease Division was responsible for reporting the vast number of items transferred between the United States Government and the foreign governments of Europe in conducting the War. The reports rendered by this division proved inestimable in comparing the dollar amounts as reported by the receiving agencies of the United States with those of the furnishing governments. Every attempt was made to reconcile differences so as to arrive at values which were acceptable to the United States and the furnishing governments in order to adjust between nations, the cost of the war.

## SECTION 9

### WAR BONDS AND INSURANCE DIVISION (SOLDIER SAVINGS)

45. Early Activities in the European Theater. In May 1942, this division originated as a "Defense Bond Office" under the Inspector General, United States Forces in the British Isles. With the establishment of the European Theater of Operations, the office operated under the Adjutant General, Services of Supply. On 24 June 1943, it was designated to handle all War Bond, insurance and saving activities in the European Theater. As these functions were closely related to the activities of the Fiscal Director, European Theater, the office was transferred to his control 11 November 1943.

46. Organization Under Fiscal Director's Office. The personnel operating this office were a small group of officers and enlisted men from the European Theater, supplemented by specially qualified sales promotion men loaned by the Fiscal Director, Army Ground Forces, Washington, D.C. on ninety day loans each. Twenty-six such specialists were used for promotional activities.

47. Functions. To secure the maximum success, the soldier had first to be educated in saving. This was accomplished by making commanders interested, and then assisting them in organizing and schooling officers and men who were selected to carry out this program. Full time officers were detailed to this work in divisions and larger units. This division assisted by issuing instruction pamphlets, booklets, posters and securing publicity in newspapers, radio programs, and film shorts. (Appendix 9). In addition to the publicity, facilities were made readily available so that soldiers desiring to participate could do so easily at the company orderly room.

48. Means Available. By November of 1943 soldiers could have deductions made on the payrolls for the following regularly:

Class B Deduction	- War Bonds
Class D Allotment	- Government Life Insurance
Class E Allotment	- To banks, commercial insurance companies, relatives of insurable interests
Class F Deduction	- Family Allowances
Class N Allotment	- National Service Life Insurance
Personal Transfer Account	- Personal Transfer Account See Chapter 5, Part One
Soldiers Deposits	- Bearing 4% interest - Deposit with Treasury

Surplus cash could also be placed in Soldiers Deposits, Spearhead Deposit (Safe Keeping, no interest), Personal Transfer Account, Postal Money Orders, and available commercial transmission means.

49. Additional Means Developed. Early in 1944, additional payroll deductions were authorized. Soldier Deposits, Personal Transfer Accounts and War Bonds could be entered on payrolls on a one time basis. Soldiers could sign for any deductions they desired on the next payroll. This saved handling of cash in the field on pay day.

50. National Service Life and other Insurances. National Service Life Insurance was offered by the United States Government to all persons entering the service during the limited emergency by Act of Congress, 8 October 1940. This was similar to War Risk Insurance issued during World War I. Complaints were made to the War Department by relatives of persons killed in North Africa who were eligible for insurance but had not applied for it. The War Department directed all commanders to encourage the sale of life insurance. This was carried out in the European Theater by establishment of an intensive insurance program. During the spring and summer of 1943, the insurance program developed in the European Theater, required all personnel not carrying life insurance, to explain in writing the reasons why they were not. Educational lectures were conducted nightly for those not taking advantage of insurance. This system resulted in 98% of all persons carrying National Service Life Insurance or other life insurances.

51. Special Bond Drives. Campaigns were conducted for the sale of War Bonds. Each War Bond Drive in the United States was preceded by a personal request of the President urging all Theater Commanders to assist in the current drive. Appendix 10. Special drives were then initiated and amplified in the units. For example,

in June 1944, Base Air Depot Number 2 conducted a drive with a goal of \$114,000.00 which was sufficient for the purchase of two airplanes. The drive netted \$175,000.00 which was sufficient to purchase three airplanes. When the planes arrived at the local air field, ceremonies were conducted, and the three winners named and christened the planes. In December 1944, when the 82nd Airborne Division received back pay of about three and one half million dollars, a war bond drive to convert this cash into bonds was conducted, prizes of furloughs to the United States, England and Europe were offered. One million and a quarter dollars' worth of bonds were sold in a period of three days.

52. Seventh War Bond Drive. The Stars and Stripes sponsored the Seventh War Bond Drive. Prizes of 10 automobiles or trucks, and 10 electric ice boxes were offered. To enter, the contestant had to certify that he had a Class B Bond Allotment, or that he had recently purchased a War Bond for cash. The contest opened on May 4, 1945. To add impetus to the campaign, five additional automobiles or trucks, five electric ice boxes and 20 electric radios were added later. All prizes were donated by the manufacturers through arrangement made by the War Bond and Insurance Division.

53. Effect on Soldier Spending. When the savings program originated in the European Theater, the personnel buying bonds and saving money were negligible and efforts were sporadic. By the middle of 1943, soldiers were still retaining about half of their pay. As the campaign developed, the per cent of money retained steadily diminished. Appendix 11.

54. Recognition of Effort by the War Department. The War Department took notice of the results being attained in the European Theater. In July 1944, all theater and port commanders were directed to adopt a savings program. Appendix 33.

55. Summary. The War Bond, Insurance, and Savings Division successfully conducted a program which was designed to encourage the habit of thrift among the troops. In so doing, it helped the war effort by selling millions in Defense and War Bonds. It helped soldiers' families by urging life insurance coverage. It helped the individual soldier to create an estate for post-war rehabilitation by saving his money.

## SECTION 10

### REPORT OF SURVEY DIVISION

56. Introduction. Field Manual 101-5 states, "In the combat zone, no formal accounting for supplies is required \*\*\*. The same care is taken of all equipment, supplies, and materiel, and the same economy in their use is observed as in cases where a formal accounting is required." In the European Theater a system of "Report of Survey", as authorized in Army Regulation 35-6640, was instituted to determine the responsibility for lost, destroyed, or damaged property, and to recommend the final disposition of the property. All public property lost, destroyed, or damaged, except by fair wear and tear, or as a result of enemy action, was required to be placed on a Report of Survey or a Statement of Charges.

57. Organization. The Report of Survey Division of the Office of Chief Finance Officer, European Theater, was organized

in 1942 to review all Reports of Survey reaching Headquarters, European Theater. The progressive volume of reports reviewed is shown below:

<u>Month</u>	<u>REPORTS OF SURVEY DIVISION</u>			
	<u>Number of Surveys Received</u>			
	<u>1942</u>	<u>1943</u>	<u>1944</u>	<u>1945</u>
January		17	694	5598
February		12	1075	6274
March		30	4422	8349
April		14	2680	6759
May		66	2663	7218
June		80	2645	
July		85	2230	
August	10	110	2212	
September	29	120	1689	
October	17	106	2809	
November	10	110	4060	
December	24	140	4466	
SUB TOTAL	90	890	31,645	34,198
GRAND TOTAL				66,825

#### SECTION 11

#### RECEIPTS, DISBURSEMENTS, AND ALLOTMENTS DIVISION

58. Introduction. Originally all vouchers and accounts of all disbursing officers in the European Theater were sent by months, direct to the accounting offices in the United States. This system proved unsatisfactory. It gave the Fiscal Director, European Theater, little information on his principal activity; except through reports of operation rendered his office by the individual disbursing officers. The Fiscal Director desired an office in the European Theater which would enable him to analyze his disbursing officers' accounts, to determine which disbursing offices were not functioning properly. Furthermore, he desired an agency to consolidate disbursements by theater. In Cable WLL3, 21 May 1943, recommendation was made to the War Department that the General Accounting Office set up an office in the European Theater of Operations. Appendix 12. No action was taken until July 1943. Appendix 3.

59. Initial Formation. In September 1943 an Accounts Section was organized under the Fiscal Officer of the Services of Supply, European Theater. The personnel of this section were secured from finance personnel available in the European Theater. An officer was sent from the United States to train the section. The accounts of nine disbursing officers were processed for October 1943 as a test. After November 1, 1943, the accounts of all disbursing officers in the European Theater were examined monthly.

60. Organization of the Receipts, Disbursements and Allotments Division. In letter dated March 2, 1944, the Fiscal Director, established a Receipts, Disbursements and Allotments Division to operate directly under the Fiscal Director, European Theater of Operations. Appendix 13. This division was composed of six

branches: Accounts, Audit, Allotments, Reports of Survey, Sales Audit, and Adjustment Accounts. There was attached to it the Reciprocal Aid and Lend-Lease Reports Sections for administration only. Personnel were secured for these individual branches from finance personnel present in the theater, and from 13 complete finance disbursing sections diverted to it for duty. No branch of this division was organized to compile a chronological record of progress pertaining to the finance activities in the European Theater as a whole.

61. Personnel Difficulties of Organization. Appendix 14 gives a running account of the branches and the personnel changes in this division. Because of its size, the division was used as an emergency pool for individual personnel, and for finance disbursing sections. This was a distinct handicap. The practice was necessary, however, because there existed no other source for procuring replacements.

62. General Functions. This division assumed the same functions and rendered the same reports, in the European Theater, as the Regional Accounting Offices did in the United States. All operations in the division were manually performed, while its counterparts in the United States, were operating entirely with business machine equipment.

63. Specific Functions. This division received all accounting documents and vouchers of all disbursing finance officers in the theater. It reflected the funds held by each disbursing officer. It classified expenditures and collections. It prepared expenditure reports by various appropriations, by project and object numbers; reported collections by appropriations and miscellaneous receipt symbols. It prepared and presented cumulative accounting and expenditure reports to the Office of the Fiscal Director, Washington, D.C. and to the Commanding General of the European Theater. It was responsible for reconciling the accounts current of each disbursing officer in the theater. In addition, this division forwarded all individual allotment applications and changes in the European Theater. It also retained for fixed periods the duplicate records of disbursing officers for correspondence purposes.

64. Functions of the Allotments Branch. The allotments branch screened individual allotment applications, and change of allotment forms in the European Theater, before forwarding them to the proper paying agencies in the United States. Appendix 15.

65. Functions of the Accounts Branch. The accounts Branch audited all accounts current and supporting capital papers of disbursing officers in the European Theater of Operations. An abstract of the total disbursements for the period 1 November 1943 to 25 May 1945 shows the volume of business processed by the Accounts Branch. Appendix 16.

66. Functions of the Audit Branch. Enlisted pay rolls and individual vouchers were checked against a check list, and vouchers were given a 25% audit every three months, for each disbursing officer's account. Per diem, mileage, commercial accounts, and claims, were completely audited each month. All disbursing officers' accounts were shipped to the Army Regional Accounting Office, New York, for the Army Audit Branch, General Accounting Office. Appendix 17.

67. Functions of the Retained Records Branch. The Retained Records Branch received the duplicate accounts of disbursing officers after the disbursing officer had retained same for one month. Any correspondence relative to these accounts were answered for the disbursing officer. The retained duplicate records and vouchers were held until word had been received that the original vouchers and records had arrived in the United States. The retained records and vouchers were forwarded to the Central Retained Accounts Office in the United States. The main function of this branch was to provide a safe storage place for duplicate records within the theater, out of the combat zone.

68. Summary. The Receipts, Disbursements and Allotments Division provided good observation and administrative control of disbursing officers' accounts in the European Theater. As the office developed it performed the same duties as did the Regional Accounting Offices in the United States. In addition it screened individual allotment forms originating in the European Theater and stored the retained duplicate records of all disbursing officers for a six month period.

#### CHAPTER 4

### FUNDING, INCLUDING THE USE OF FOREIGN BANKING FACILITIES

#### SECTION 1

#### INTRODUCTION

69. As indicated in this study, the Finance Department functioned under three broad activities: Fiscal, disbursing, and funding. This last function of funding was an intradepartmental affair, and only became an interdepartmental function, when one department became dependent upon another. Funding is of vital importance to disbursing outlets of any description: finance disbursing sections, banks, post offices, tax offices, etc. Especially it was important to the finance disbursing units operating on the Continent, where fast moving armies carried them to countries where there were initially no banking services available.

#### SECTION 2

#### FUNDING IN THE UNITED STATES

70. Use of Banks in the United States. In the United States and its territories, the United States Treasury, upon proper solicitation by interested parties, designates certain banks as depositories for official United States Government funds. This designation, accompanied by specific authority in each case, allows the military disbursing officer to use the bank for his convenience and for the convenience of the government. The disbursing officer uses the bank to exchange his official government checks for disbursing cash, and to deposit excess cash with the Treasury of the United States. He has no account at the bank whatsoever, it being illegal to deposit United States Government funds in any private bank in the United States. There are sufficient banks in the United States, and the process of designating a bank as a depository is so simple, that it is always possible to have a depository close at hand.

71. Funding Process in the United States. All military disbursing officers in the United States have their accounts directly with the Treasurer of the United States. Money is placed to their credit upon request to the Fiscal Director, Army Service Forces, in Washington. Upon receiving notice that a disbursing officer desires credit in the Treasury to be established or increased, the Fiscal Director, Army Service Forces, notifies the Treasury of the fact. A War Warrant is issued to the disbursing officer's credit. In an emergency, the Fiscal Director causes the Central Funding Officer (Finance Officer, US Army, Washington, D.C.) to transfer the amount, from the large central funding account to the specified disbursing officer's account. Upon confirmation of the War Warrant or the transfer by telegram, or otherwise, the disbursing officer may then draw.

### SECTION 3

#### FUNDING IN THE UNITED KINGDOM

72. Use of Foreign Banks. The policy of using foreign banks as depositories to service our government representatives while abroad, was well established. However, the technique evolved in using so many depositories in the United Kingdom was perfected by the Office of the Fiscal Director, European Theater of Operations.

73. Funding Process in the United Kingdom. The first arrangement made in the United Kingdom was to have Barclay's Bank and all its branches, exclusive of London, the British Linen Bank and all its branches, and the Northern Bank Limited, designated as depositories for official United States Government funds of disbursing officers in England, Wales, Scotland, and North Ireland, respectively. In this exceptional case, the individual disbursing officer was authorized to keep an official account at the depository bank and write sterling checks against the account. These funds so deposited were carried as cash on hand on all accounting papers of disbursing officers and not as cash in a bank. Money was placed to his credit at the proper branch bank by request through the Chief Finance Officer, European Theater, to the Central Disbursing Officer, European Theater. This officer then would transfer sterling from his account to the disbursing officer's account. The reverse process of depositing collections by disbursing officers to the credit of the Treasury, was accomplished by writing sterling checks, transmitting them to the London Branch of the Guaranty Trust Company who in turn transmitted equivalent dollar amounts to the Treasury. In April 1943, negotiations were finally completed designating the London Branch of the Guaranty Trust Company of New York as a general depository. As such, the Guaranty Trust could accept deposits to the credit of the United States Treasury. (Notice the distinction made between transmit and accept). The Central Disbursing Officer, United Kingdom, maintained a funding account with the Guaranty Trust Company in London to supply all disbursing officers with their funds. This account was recouped by credits being made through the New York Office of the Guaranty Trust Company from the Treasury. Disbursing officers could cash dollar checks and instruments, transmit them to Guaranty Trust Company and have the equivalent amount of sterling re-deposited in the branch bank where the disbursing officer had his sterling account. This put the funding service in the United Kingdom on a par with the service in the United States. Further, it saved an inestimable amount of interest on funds in transit.

## SECTION 4

### FUNDING ON THE CONTINENT IN COUNTRIES FORMERLY

#### OCCUPIED BY THE ENEMY

74. Possibility of Banks. It was early realized that for funding on the Continent it would be extremely advantageous to inaugurate a system similar to that in effect in the United Kingdom. Permission was requested of the War Department by the Fiscal Director, European Theater, to negotiate the reopening of American banks on the Continent immediately upon invasion, and to have a general depository designated before hand. Appendix 18. The permission was denied.

75. Arrangement for Funding on the Continent. An agreement was then reached with Currency Section, G-5, Supreme Headquarters, before March 1944, to the effect that disbursing officers would carry some currency with them to the Continent, and that upon arrival on the Continent, Currency Section, G-5, Supreme Headquarters, would supply the Finance Department from their stocks of currency. This was in accordance with instructions from the War Department. Appendix 18. This would allow a minimum of finance personnel to be used for funding, and a maximum to be used for disbursing and servicing activities.

76. Change in Arrangements. In March 1944, before the invasion, Currency Section, G-5, Supreme Headquarters, notified the Fiscal Director, European Theater, that it would be impossible to supply the Finance Department with currency on the Continent except in bulk at one central place. This caused emergency plans to be made immediately. Appendix 19.

77. Temporary Expedient. It was directed that each disbursing officer leaving the United Kingdom for the Continent carry sufficient currency to last for two months. In addition, it was also directed that the Funding Office, Advance Section, Communications Zone, carry an initial supply of currency to set up a reservoir. In value, this additional supply in French francs was over \$68,000,000. In volume it filled 989 trunk locker type boxes, loaded in 22 large trucks. No complications were expected to develop from an excess of accumulated stocks of currencies in the hands of disbursing officers.

78. Funding Experience. Immediately the landings were made on the Continent, the soldiers flooded their disbursing officers with American and British currency which they, the soldiers, had failed to convert into French francs before departing for France. Captured currency, soldiers deposits, postal money order receipts, and personal transfers of money home were taxing the capacity of the disbursing offices. Combat further instilled the soldiers to save and protect their funds. Each frontier crossed necessitated a change of currency immediately by the commands concerned, to prevent marketing in currencies and to protect the soldier from losing advantage in any purchase he might make. This policy was carried out scrupulously by commanders. The process of exchanging money never stopped, it was a brisk activity at all times.

79. Funding Established Permanently. The system for funding settled to a system whereby the National Banks in France, Belgium,

and other countries after reopening, assisted in the supply of currency to disbursing offices located in these countries. Currency was obtained by cashing checks issued by, or mandates transferred by, the Central Disbursing Officer, who either had an account in each of the National Banks in these countries, or held mandate credit therein. These banks also accepted currency accumulations, of their particular national currency only, from disbursing officers for deposit to the credit of the Central Disbursing Officer, Continent. All checks and instruments, instead of being handled by these banks, or by the Funding Office, Advance Section, or Central Disbursing Office, Continent, were transferred to and mailed to Central Disbursing Officer, United Kingdom, by disbursing officers. All other foreign currency was taken to army, or the Paris Central Disbursing Office, or the Funding Office, Advance Section, for transfer. This left only the disbursing officers in Germany and Austria to be funded absolutely without the use of banks, awaiting the time when the banking facilities in Germany and Austria would be operational, and could assume their partial role in funding operations.

## CHAPTER 5

### PROCEDURE INITIATED BY THE OFFICE OF FISCAL DIRECTOR,

#### EUROPEAN THEATER OF OPERATIONS

##### SECTION 1

##### INTRODUCTION

80. Introduction. In the following sections, the object is to go back and bring out some of the difficulties which confronted the Fiscal Director, European Theater of Operations. In each case mentioned, the solution arrived at, either resulted in Congressional approval for all theaters of operation, War Department approval for all theaters of operation, or approval by the Fiscal Director, Army Service Forces, with recommendations for adoption by all theaters of operation. The most important problems only are considered.

##### SECTION 2

##### NEW PROCEDURES

81. Bank Accounts for Elasticity of Finance Service. When the European Theater of Operations was activated in June 1942, each disbursing officer in the theater was provided with a bank account in a British branch bank. This in itself was an innovation. There was a definite shortage of disbursing officers at that time, and the shortage necessitated the appointment of Class "B" Agent Officers to assist in covering the field. However, it was still contrary to regulations for a Class "B" Agent Officer to deposit official funds in a bank, much less, to issue checks on the bank account. With strictly over-the-counter cash methods, the service in the offices of these agent offices suffered. The advantages offered by checking accounts for Class "B" Agents were obvious. The European Theater Commander granted authority upon advice of the Chief Finance Officer, European Theater, to establish checking accounts for Class "B" Agent Officers. Procedure was approved later by the War Department.

82. Quicker Payments by Accepting Certificates. The Comptroller General of the United States ruled on the sufficiency requirements of all money vouchers paid by army disbursing officers. In 1942 it was impossible to expect the thousands of officers who hurriedly left the United States, with the burden of war on their shoulders, to be selfish enough to carry immediately available a complete file of supporting papers and orders to be used only for drawing their pay. Many injustices to faithful officers would, and could have been done, had not a simple trust been substituted for existing papers and orders. The European Theater Commander upon advice of the Chief Finance Officer, European Theater, authorized that officers could certify to certain specified facts as being true, or that certain specified orders existed, and thus save months of delay in writing for two copies of papers to prove those facts, or to produce the actual orders in two copies. Approved later by Act of Congress, Public Law #758, 78th Congress.

83. Check Cashing. In the United States, there was no reason for any disbursing officer to cash personal checks. Army personnel were at liberty to use private banks and business contacts for this purpose. In a foreign land, however, especially a land subject to siege by an enemy, it was very difficult to cash checks even upon payment of a high premium. To accommodate individuals and improve morale, the European Theater Commander upon advice of the Chief Finance Officer, European Theater, authorized the cashing of personal checks by disbursing officers, who assumed responsibility for such checks. This feature in no way interfered with the savings program, because it merely allowed an individual to conduct his affairs in much the same manner as at home. A few finance officers did not cash checks because of the personal risk involved. No instances of loss to disbursing officers are on record. Public Law #554, 78th Congress.

84. Quickly Ready Officers for Disbursing Duties. The usual procedure for preparing a trained finance officer for disbursing duties had been, to first assign the officer a symbol number from the Fiscal Director's Office, Army Service Forces, Washington, D. C. Second, require the officer at his own expense, to bond himself to the U. S. Government with an American bonding company. Third, gain authority for the officer to keep cash on hand at his own risk from the Secretary of War. Fourth, assign the officer a deputy. The deputy appointment was approved by the Secretary of War, and this authority had not been delegated to commanders in the field. In the European Theater of Operations it was found that to communicate with the Fiscal Director's Office in Washington, D. C. and the Office of the Secretary of War, Washington, D. C. relative to assignment of symbol number, bonding, cash authority approval, and approval of deputy, consumed from three to six weeks depending upon mail facilities. The European Theater Commander upon the advice of the Fiscal Director, European Theater, authorized the following expedients in placing finance officers in disbursing duties: The officer's bond application was considered approved upon mailing through channels. The authority to act on requests to carry cash on hand, was delegated to the Commanding Generals of all major commands. The Fiscal Director, European Theater was authorized to approve the appointments of deputies to disbursing officers for sterling accounts only. The Secretary of War still reserved the right to approve deputyships involving the signing of all papers for the disbursing officer. Upon request, blocks of symbol numbers were allocated to the European Theater for assignment to disbursing officers by the Fiscal Director, European Theater.

85. Disbursement of Collections. In the United States where communication abounded, and where excellent permanent banking facilities were available, it was the regulation to deposit all monies collected by disbursing officers to the credit of the United States Treasury. The monies so collected were considered separately on the books, and never, technically speaking were they disbursed. In Europe, to constantly deposit collected monies to the credit of the United States Treasury was cumbersome and impractical. The reason was that the disbursing officer so depositing, would have to again request more funds to disburse; which funds came back from the Treasury of the United States. It was reasoned that such transferring of credits or funds could be avoided if disbursing officers were authorized to disburse or spend the money derived from collections. After a request for this feature to the War Department by the Fiscal Director, European Theater, such procedure was authorized. It applied to the disbursement of all collections except Civil Service Retirement collections.

86. A Free and Safe Method of Transmitting Money Home. The situation in the United Kingdom in regard to transmitting money home was critical. Ships were being sunk, cable capacities were overtaxed with governmental business, money cables were expensive, bank drafts were expensive, postal money orders were slow and were subject to enemy action in transport. In fact, there was no entirely satisfactory means to transmit money home, for either savings or discharge of obligations. A method of transferring home the money of individuals for personal reasons, was proposed to the War Department by the Chief Finance Officer, European Theater to the Chief of Finance, United States Army. This method was adopted and put in use in all theaters; it was known as the "Personal Transfer Account System." Money was collected by personnel officers from the troops, data was taken down, and a receipt rendered. The procedure was to each day abstract by entire theater, the names and addresses of payees as reflected on a theater recapitulation. The Central Disbursing Office then cabled, or air mailed on microfilm, this information to the paying office in the United States, from which office, checks were mailed out. The volume of business precluded instant service. This procedure was extended to give service to payees residing in the United Kingdom. The Personal Transfer Account System had four definite advantages:

a. It solved the matter of how to transmit money collected on vouchers to official and quasi-official payees, formerly transmitted by US Treasury checks.

b. It enabled the soldier to send money to payees directly from deduction on the payroll.

c. It allowed all disbursing officers except the Central Disbursing Officers to close out to zero their US Treasury accounts, and turn back to the Treasury collectively vast sums of dormant money formerly held in their working funds.

d. It was free and perfectly reliable; the individual held a receipt, rendered upon turn over of cash to his personnel officer, or evidence of voucher collection on payroll.

This system was not designed to replace former systems of transmission, it was an emergency system supplementing postal money orders, and commercial banking facilities and cable transmissions.

87. Support of Dependents in the United Kingdom. It must be remembered that from the first, United States Army personnel in the United Kingdom, were on very friendly terms with their allies, the British, Scotch and North Irish. This resulted in many marriages between some of our personnel and women of the United Kingdom. As operations, especially air operations and deployment increased, more and more dependents of personnel residing in the United Kingdom were complaining of hardship due to non-receipt of funds for support. The "Class X" allotment system was used, whereby, a regular allotment of money could be made from the payroll monthly for the regular support of these dependents. This also covered the dependents in case of the death of the allotter, or if the allotter was missing in action. The Central Disbursing Officer in London made these disbursements.

88. Agreement With the Bank of England. Early in 1942 an agreement was made with the Bank of England whereby all official, quasi-official or personal funds deposited in United Kingdom banks were subject to reconversion into dollars at the official rate of exchange existent at the time the deposits were made. The official accounts were carried as such and the other accounts were in "Registered Accounts". This agreement precluded the necessity of carrying balances in the Funding Account and disbursing officers account in dollars. One foreign exchange transaction was made at the time funds were transferred from the United States Treasury to the Guaranty Trust Company of London. Otherwise the foreign exchange transactions would have been so numerous as to place an unbearable burden on the depository banks and the Bank of England.

89. Spearhead Deposits. Just before the invasion many inquiries were made by personnel as to how they could keep their money safely in the European Theater while they were in combat. In other words, it was desired that someone establish a short term bank deposit service to protect funds not desired to be sent home by individuals. A system was developed whereby personnel before departing the United Kingdom, could deposit money at any finance office in the European Theater and later claim his money. This system was known as the "Spearhead Deposit System". It proved very popular and later was approved and sanctioned on a world-wide basis close akin to traveller checks.

90. Summary. The work outlined above as new procedures initiated by the Office of the Fiscal Director, European Theater of Operations, is by no means complete in its constitution. However, it illustrates the fact that in pre-war planning for finance service in a foreign theater, the most important things to consider are the changes or enlargements of peace time procedures to suit all possible desires of the troops in that theater.

CHAPTER 6

CONCLUSIONS AND RECOMMENDATIONS.

SECTION 1

CONCLUSIONS

91. In studying the activities of the Office of the Fiscal Director, European Theater, it is concluded that;

a. At the time the European Theater was activated, there existed absolutely no Finance Department non-divisional units available under T/O & E for providing service to ground, air and service force troops, which troops had no organic finance service. This factor caused the Fiscal Director, European Theater, to request separate finance disbursing sections be organized and sent to the European Theater. This resulted in delay, and a definite misunderstanding as to correct ratios and increments of finance men furnished the European Theater. If the Fiscal Director, European Theater, had not requested and finally obtained 143 separate disbursing sections, the Finance Department could not have carried out its mission. This was an omission in pre-war planning by the Office of the Chief of Finance, Army Service Forces, Washington, D. C.

b. The Receipts, Disbursements and Allotments Division of the office had three handicaps: One, it was founded late; its records were thus not complete and do not give a total picture of the operations from date of activation of the European Theater. Two, the personnel, instead of being trained and furnished as an entity, for this large division, were drafted from personnel in the theater. The division was also used as a replacement pool, because of its size. This produced a shortage of personnel, over work, and records not as comprehensive as could have been possible. Three, the division used manual methods in a work which was perfect for business machine methods. This resulted in waste of manpower and small scope of operations.

c. There was nothing satisfactory about the arrangement to co-operate with another department in regard to currency arrangements and supply. The Finance Department was unwarrantedly subjected to suspense and shortage of personnel due to the failure of another department to fulfill a War Department directive. In almost each case of obtaining supplies of currency for any certain country entered, the responsibility fell to the Finance Department to obtain the currency initially.

d. In administering the finance activities in the three components of the armed forces in the European Theater of Operations, by the Fiscal Director, European Theater, there was a great difference in control. The activities of the Army Air Forces were controlled administratively through one subordinate fiscal officer with the air forces. In the Services of Supply the same control existed, except that the officer in control of the finance activities in the Services of Supply, was the Fiscal Director of the European Theater, himself. In the ground forces the administrative control was exercised through the five separate army fiscal officers.

e. There was no part of the Office of the Fiscal Director, European Theater, devoted to chronologically recording development, tied in with statistics. Such a record would have been invaluable during operations, as well as later in making studies. In other words, there was no historical facility.

f. Inasmuch as the Office of the Fiscal Director, European Theater was principally a planning office, it is concluded that the plans made by that office were sound. That the problems of personnel shortage and organization inconsistencies were the result of incomprehensive pre-war planning and study on the part of the Office of Chief of Finance, Army Service Forces, Washington, D. C.

## SECTION 2

### RECOMMENDATIONS

92. In financial operations in a foreign theater of war commensurate with the past financial operations in the European Theater it is recommended:

a. That a continuous study be made by Fiscal Director, Army Service Forces, to determine adequate T/O and E for non-divisional finance units. That these finance units be incorporated in War Department publications as T/O and E units available in certain ratios to major commands.

b. That there be created a small pool of individual enlisted men and officers constituting a "Theater Finance Department at Large", to provide a quick source for individual requirements to prevent the constant disturbance of already functioning agencies.

c. That an accounting or analytical, statistical office, equipped with modern business machines be provided the theater in question upon activation. This will insure full bodied data from start to finish. Through this office should flow all the accounts of all the disbursing officers in the theater. This office should function solely under the Theater Fiscal Director.

d. That the Finance Department be charged with the original arrangements and responsibility for the supply and control of all currencies to be used by it. That the Finance Department be not made to depend upon any other department for this supply and control. That if any other department is destined for final control, this department take over the control after the Finance Department has accomplished its initial operational mission.

e. That a part of the Office of the Theater Fiscal Director be devoted to chronologically recording each activity of the Finance Department in that theater; to acquire and tie in appropriate statistics.

f. That a single fiscal administrative control officer be charged with the supervision of all finance activities in the Services of Supply or communications zone of the theater. This officer to be subordinate to and responsible to the theater fiscal director.

g. That a single fiscal administrative control officer be charged with supervision of all finance activities of the ground forces. This officer to be responsible to the Fiscal Director of the theater for the uniformity of all the activities in the separate armies. By close contact with tactical plans in higher headquarters, this officer could be invaluable in gauging the supply of proper currency, timely acquisition of personnel, etc. This would allow the Theater Fiscal Director to administer the activities of the armed forces in the theater through three subordinate fiscal officers: air forces, ground forces, and service forces.

PART TWO

ACTIVITIES OF THE FINANCE DEPARTMENT IN THE COMMUNICATIONS ZONE

CHAPTER 1

INTRODUCTION

93. General. The European Theater, when activated in 1942, comprised the United Kingdom and Iceland areas. The territory was not divided into a combat zone and a communications zone, but the extent of operations required a separate administrative organization. Consequently, a Services of Supply was activated at Cheltenham, England, on the 19th of July 1942. After the invasion of the Continent on June 6, 1944, the Services of Supply, European Theater, was immediately changed to Communications Zone, European Theater. The United Kingdom, thereafter, became a base section of Communications Zone, European Theater. The initial forces on the Continent, of the Services of Supply, then became known as the Advance Section, Communications Zone, European Theater.

94. Specific. There was one distinct difference between the Fiscal Office, Services of Supply and the Fiscal Office, Communications Zone. Part 1, Chapter 2, describes the Office of the Fiscal Officer, Services of Supply, as being separate from the Office of the Fiscal Director, European Theater of Operations. In the Communications Zone on the Continent, the Office of the Fiscal Officer, Communications Zone, and the Office of the Fiscal Director, European Theater, were one and the same office.

CHAPTER 2

SERVICES OF SUPPLY

SECTION 1

FISCAL OFFICE, SERVICES OF SUPPLY - 19 JULY 42 UNTIL 6 JUNE 44

95. Mission. The mission of the Fiscal Officer, Services of Supply, European Theater, was to provide finance service to the build-up forces in the United Kingdom in preparation for the invasions of the African Continent and the European Continent.

96. Organization. The Fiscal Office of the Services of Supply European Theater, located in Cheltenham, England, was originally with the Office of the Fiscal Director, European Theater. Early in 1943, the Fiscal Director, European Theater, moved his office to London and left an assistant in charge of the Fiscal Office of the Services of Supply, retaining personal supervision and responsibility. The Fiscal Office, Services of Supply, was divided into six sections. These sections were:

- a. Administrative
- b. Fiscal
- c. Operations and Control
- d. Audit
- e. Reciprocal Aid
- f. Miscellaneous

In April 1943, the office had a strength of four officers, one warrant officer and 48 enlisted men. After September 1943, four new sections were added to the office:

- a. Accounts Section (Sept 43)
- b. Allotments Section (Nov 43)
- c. Audit Section (Money as opposed to sales audit. Jan 44)
- d. Adjustment Accounts Section (Feb 44)

The maximum strength of the Fiscal Office, Services of Supply was reached in February 1944. It was composed of 14 officers, two warrant officers, and 170 enlisted men. In March 1944, with the formulation of the Receipts, Disbursements and Allotments Division under direction of the Fiscal Director, European Theater, the Fiscal Office, Services of Supply, lost control of the following sections:

- a. Accounts Section
- b. Audit Section (Money)
- c. Allotments Section
- d. Adjustment Accounts Section
- e. Sales Audit Section
- f. Report of Survey Section
- g. Reciprocal Aid Section

This left only enough sections to finish the mission of servicing the build-up of troops in the United Kingdom. The Office then consisted of four sections:

- a. Administrative
- b. Fiscal
- c. Operations and Control
- d. Miscellaneous

97. Functions of the Fiscal Office, Services of Supply. The Fiscal Office, Services of Supply, was the operating agency of the Finance Department, European Theater. It provided necessary funding services to all Services of Supply troops as well as to ground and air force personnel lacking organic finance service. It provided the necessary services required by Standing Operating Procedure Number 11 (Appendix 6) for the mounting operations. The office controlled and administered all separate finance disbursing sections which arrived in the United Kingdom from the Zone of the Interior. It released some of these sections to units in the component arms and services to provide better service. The office also supplied blank Finance Department forms to all upon requisition. After the invasion took place on June 6, 1944, the Fiscal Office of the Services of Supply became the Fiscal Office of the United Kingdom Base, Communications Zone, European Theater.

## SECTION 2

### THE FINANCE DEPARTMENT IN THE BASE SECTIONS, SERVICES OF SUPPLY

98. Organization. Each Base Section Commander in the Services of Supply, had on his staff a base fiscal officer. Each base fiscal officer had a small fiscal section capable only of administering the finance activities in that base section. The strength of these base fiscal sections varied from two officers and four enlisted men, initially, to two officers and a maximum of twelve enlisted men at various times according to activity in the particular base section

99. Mission. The Fiscal Officer of each base section was responsible for providing finance service to the Services of Supply troops in the base area. He also assisted in payment of the troops in his area, from units of the ground forces and air forces, if these troops had no organic finance service.

100. Discussion. When the Fiscal Officer, Services of Supply, was notified of the arrival at a port of finance disbursing sections from the Zone of the Interior, he would cause these sections to be attached to one of the various base sections, Services of Supply. The Base Section Fiscal Officer was charged with training these newly arrived sections and with releasing them upon order of the Fiscal Officer, Services of Supply, to units at definite locations where service was required. These separate disbursing sections had no organic transportation nor organic housekeeping facilities. They were exactly of the same composition as were Infantry division disbursing sections. The Base Section Fiscal Officer having only administrative personnel, in order to accomplish his mission of furnishing finance service as described above, used these finance disbursing sections for furnishing this service. Just prior to the invasion, these base sections split their attached disbursing sections into small disbursing units or teams, and provided money changing facilities for the troops in the sausage camps of the marshalling areas, who were embarking for the invasion. After servicing the marshalling areas and sausage camps, the Base Fiscal Sections (formerly Services of Supply) prepared to leave for the Continent to become Base Fiscal Sections in Continental areas of the Communications Zone.

### CHAPTER 3

## COMMUNICATIONS ZONE

### SECTION 1

#### INTRODUCTION

101. The Fiscal Officer, Communications Zone, (Fiscal Director, European Theater) was responsible for furnishing adequate finance service to the large service forces in the Communications Zone, as well as to the large number of transient troops passing through the huge installations located therein. Examples of installations were: rest areas, assembly areas, staging areas, ports, reinforcement depots, general and station hospitals, etc. The same difficulties concerning absolute lack of T/O and Finance Department disbursing and other units available at the outset, forced the requisition of a standard type separate disbursing section. The complete omission of these units in pre-war planning is discussed also in Parts I and III of this study and pertains to the communications zone as well as to the combat zone.

### SECTION 2

#### ADVANCE SECTION, COMMUNICATIONS ZONE

102. Mission. The mission of the Fiscal Office, Advance Section, Communications Zone was:

a. To control and coordinate finance service for the Advance Section and that required by the First and Third Armies and Air Force, in addition to their organic service.

b. Supply blank forms and finance equipment wherever needed to the field finance sections, First and Third Armies, and Air Force.

c. Administration of various disbursing sections assigned to Advance Section, Communications Zone.

d. To fund finance disbursing sections of Advance Section and all finance disbursing offices and sections of the First and Third Armies and Air Corps. This consisted of supplying currencies, acceptance of excess and unusable types of currencies, verification of same, and transfer of all mutilated currencies, and excess currencies for proper disposition.

e. As the campaign continued the above mission was extended to cover and include the Ninth and Fifteenth Armies.

103. Organization. The Fiscal Section was organized as an integral part of Headquarters Advance Section, Communications Zone, at its inception. Initially it was composed of six officers and 27 enlisted men. This office was organized at Bristol, England, in anticipation of the invasion and after the invasion in Normandy, it moved into the beachhead early. The section had administrative, fiscal, disbursing, and motor branches to perform its mission. The section kept pace with the fast moving armies in its front.

104. Planning. Initially 13 finance disbursing sections were assigned to the Advance Section Fiscal Officer to carry out his mission. Plans were immediately drawn up to equip these units for operations in the field under anticipated conditions. In order to obtain the necessary supply of currency for use on the Continent, plans were consummated with the Fiscal Director, European Theater of Operations, for the delivery of the initial amount to the section in Bristol. A stock of WD FD forms and blank FD forms was estimated and obtained to meet demands for the first 90 days of the campaign.

105. Operations. In Bristol, England, in March 1944, the Fiscal Section organized from within itself a disbursing section to pay headquarters. In May 1944, this disbursing section became known as the Advance Section Funding Office. This section was given the task of carrying the reservoir supply of currency in French francs to the Continent. During planning stages it was realized that the 13 finance sections assigned would be without transportation. Therefore, enough trucks to form a pool to shuttle these sections was organized under a Special List of Equipment. This activity was operated by the fiscal section. It later resulted in uninterrupted flow of the sections to areas where needed, helping to improve Continental finance service. Funding was anticipated, and correctly so, to be the largest function of the Fiscal Section, Advance Section, Communications Zone. This function was very important because the supply and removal of currencies was the life blood of the finance sections in the field. By the end of the war, \$1,330,762,105.60 was handled piece by piece in the Funding Office of Advance Section. Operations on the Continent in the European Theater of Operations required stocking ten major currencies, and ten minor currencies. At least five different currencies were involved in each funding transaction with disbursing officers. There were 4984 transactions. Each transaction involved a volume of currency filling an average of three and one half trunk lockers or mail bags. Each disbursing officer made at least one transaction a month. The currency had to be sorted, verified, recorded, packaged, and balanced before it could again be reissued. The work was tedious, amounting to actually touching each piece of paper currency.

106. The average number of troops paid by Advance Section finance disbursing sections under direct control of its fiscal section, was 175,000 per month. Of this number 75,000 were troops passing through

the four reinforcement depots. In addition to cash payments to troops, the total disbursed, for items procured locally, in addition to all items procured by requisition and Lend-Lease, was \$2,430,731.72.

107. Black Market. This funding office being similar to a reserve bank, was instrumental in the early spotting of areas wherein black market operations thrived. These operations threw currency returns out of line and were easily detected and thereafter reported to proper authorities.

108. Continental Advance Section. The Fiscal Section, Continental Advance Section, Communications Zone, had the same missions for the army invading the Continent from the south of France, that the Fiscal Section, Advance Section, Communications Zone, had for the armies invading the Continent from the north of France. This section did not provide funding initially but corrected this error and later provided funding service to the Seventh Army, similar to that provided the armies by Advance Section, Communications Zone.

### SECTION 3

#### INTERMEDIATE SECTIONS, COMMUNICATIONS ZONE

109. After the landing in the north of France, there was established an intermediate section, Communications Zone, called "Oise Section." The force landing in the south of France called its intermediate section, "The Burgundy District", and later the two were combined and operated as the "Oise Intermediate Section." The fiscal functions of the intermediate section are identical with those of a base section, Communications Zone and are discussed in the next section.

### SECTION 4

#### BASE SECTIONS, COMMUNICATIONS ZONE

110. Organization. Each base section commander had a fiscal officer on his staff who operated an administrative fiscal office. These offices usually consisted of two officers, one warrant officer, and six enlisted men, with some of the larger base sections increased to nine men.

111. Mission. The mission of the fiscal officer, Base Section, Communications Zone, was to provide finance and funding service within the area of his zone. (Appendix 20)

112. Functions. The administrative fiscal office supervised the separate disbursing and funding sections operating with the zone, which provided the necessary disbursing service. Each base section fiscal office established a centrally located disbursing section to fund in addition to its normal disbursing duties.

### SECTION 5

#### CENTRAL DISBURSING OFFICES

113. Central Disbursing Office. The Fiscal Director, European Theater of Operations established two Central Disbursing Offices. One in London, England, to handle the United Kingdom, and one in Paris, France, to handle the European Continent. These offices operated under the supervision of the Fiscal Director, European Theater, but were located in base sections of the Communications Zone.

114. Functions. The Central Disbursing Offices were central funding offices for handling foreign currencies used by disbursing officers. They consolidated and transmitted all personal transfer accounts to the United States and its possessions, and provided a central control for all special financial transactions. The United Kingdom Central Disbursing Office received from all disbursing officers in the European Theater, all dollar and sterling negotiable instruments for clearance through banking channels. It also received and paid all personal transfer accounts to the British Isles. On the Continent, the Central Disbursing Officer made payment of allotments and family allowance vouchers prepared by the Office of Dependency Benefits in local currency. These offices also did some disbursing locally for convenience of those stationed nearby, and paid commercial accounts due firms in countries where finance service was non-existent, by deposit in New York correspondent banks concerned.

#### CHAPTER 4

### CONCLUSIONS AND RECOMMENDATIONS

#### SECTION 1

#### CONCLUSIONS

115. From this part of the study dealing with the activities of the Finance Department in the Communications Zone, European Theater, it is concluded that:

a. The Fiscal Officer of the Communications Zone was the Fiscal Director of the European Theater. As such he alone was responsible for coordinating the fiscal activities of the advance, intermediate, and six base sections of the communications zone. In addition he was responsible for providing service to the huge installations which were functioning directly under the communications zone, and not under base sections. Finance service had not previously been contemplated for these installations by the War Department.

b. The lack of (T/O and E) non-organic Finance Department units, to provide service to Service Force units without finance service, forced the Fiscal Director, European Theater, to request that the War Department form a standard type disbursing section for this purpose. See Parts I and III. This resulted in a piecemeal placing of personnel and not in a conservative well planned program of placement.

#### SECTION 2

#### RECOMMENDATIONS

116. In the financial operations in the communications zone of a theater of operations, commensurate with the European Theater of Operations, it is recommended that:

a. The Fiscal Office, Communications Zone, be an office separate from the Office of Theater Fiscal Director. That a Fiscal Officer, Communications Zone, be responsible to the Theater Fiscal Director for the finance service rendered in the entire communications zone.

b. The Fiscal Director, Army Service Forces, make a continuous study of non-organic (T/O and E) Finance Department units normally required in communications zone to service not only service force troops, but the usual installations located in the communications zone as well.

PART THREE

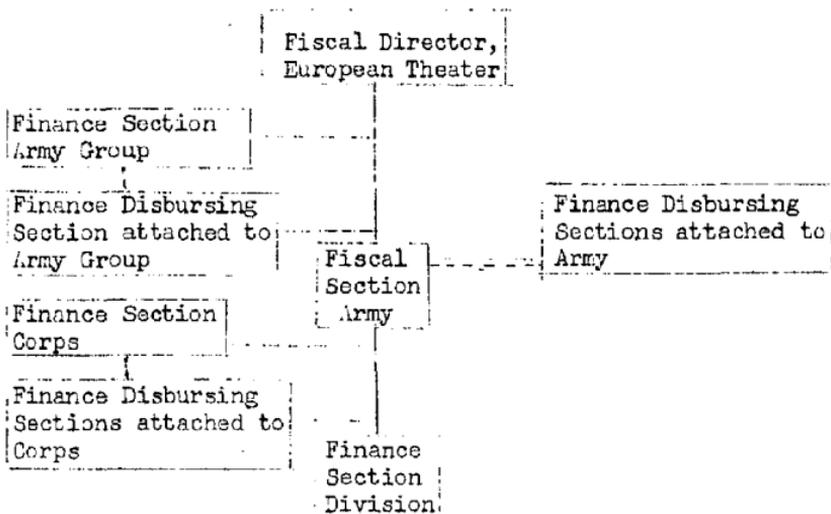
THE ACTIVITIES OF THE FINANCE DEPARTMENT IN THE COMBAT ZONE

CHAPTER 1

INTRODUCTION

117. This is the third part of the study made of the activities of the Finance department in the European Theater of Operations and deals with the activities in the army air and ground forces.

118. Correct Channels. In this study it is well to stress that there are certain headquarters; namely, army groups and corps, which are tactical and have few administrative functions except unto themselves. With this in mind, the following clearly illustrates correct finance operational and technical channels referred to throughout this study.



\_\_\_\_\_ Technical Administrative Channels

----- Responsibility for quarters, food, location, etc.

119. Army Air Forces. Distinctions were apparent between the finance organization in the Army Air Forces, in the ground forces, and in the communications zone. The study of the finance organization in the Army Air Forces will, perhaps, lead the reader to assume that the organization was an entirely independent and self-sustaining organization from start to finish. This would not be entirely correct, because, in their early days in the United Kingdom and later in some of their operations on the Continent, the finance organization in the Army Air Forces received assistance from finance organizations with the Army Ground Forces, and those with the Services of Supply, in the form of personnel, and especially in funding services.

120. Control of Finance Service in the Army Air Forces by Fiscal Director, European Theater. The Fiscal Director of the European

Theater of Operations administered the activities of the Finance Department with the Army Air Forces, through the Fiscal Officer, Air Service Command, United States Strategic Air Forces in Europe.

121. Control with Army Ground Forces. The above technical and administrative channel was not open to the Fiscal Director, European Theater, in respect to the Army Ground Forces. There were no technical administrative headquarters between army level and theater level. Consequently, the Fiscal Director, European Theater, administered the armies separately through each of the separate army fiscal officers.

122. Division Finance Sections. Considerable detailed account is made of the division finance section for two reasons. First, division finance sections were practically identical to the separate or numbered finance disbursing sections. There were a maximum of 205 sections of the division and numbered type functioning in the European Theater. Second, and most important reason, is that the division and numbered type of finance disbursing section was the basic disbursing agency of the Finance Department in the field. These numerous sections did the actual work of paying money out to soldiers, and of taking it in. It was felt that a complete report of the typical field agency would be of interest as well as informative.

123. Duties of Staff Finance and Fiscal Officers. When a finance officer was on the special staff of a commanding general, he was called either a fiscal officer or a finance officer. If the command was tactical and administrative, he was known as a "fiscal officer". If the command was only tactical he was known as a "finance officer". In either case, the fiscal or finance officer on a staff had duties to perform as stated in Field Manual 101-5.

## CHAPTER 2

### THE ACTIVITIES OF THE FINANCE DEPARTMENT IN THE ARMY AIR FORCES, EUROPEAN THEATER

#### SECTION 1

#### INTRODUCTION

124. Organization of the United States Strategic Air Forces in Europe. The United States Strategic Air Forces in Europe were organized generally as shown in Appendix 21. The Commanding General of this organization had administrative and operational authority.

#### SECTION 2

### THE FINANCE DEPARTMENT IN THE ARMY AIR FORCES, EUROPEAN THEATER

125. Period May 1942 to December 1943. During the period May 1942 to December 1943, the history of the Finance Department in the Army Air Forces, European Theater, was the history of the Finance Department in the Eighth and Ninth Air Forces individually, and of

a later parent unit, the United States Army Air Forces in the United Kingdom. The year 1943 closed with the personnel of the Finance Department on duty in the United States Army Air Forces in the United Kingdom numbering 175 officers and warrant officers, and 1,028 enlisted men. This personnel staffed 19 fiscal offices, 35 accountable disbursing offices and 56 Class "B" Agent Offices. The department was servicing 265,000 Army Air Forces troops.

126. January 6, 1944 to March 1944. On January 6, 1944, all Army Air Force units in the European Theater were reorganized to form the United States Strategic Air Forces in Europe. Headquarters of this new organization was located in London, England, and environs. This command had administrative and operational authority over its units, except in the case of the Fifteenth Air Force, which was attached for operations only, and was administered from the Mediterranean area. The Finance Department in the Army Air Forces had to reorganize to match the reorganization of the Army Air Forces. Reorganization was completed in respect to the Finance Department on 1 March 1944.

127. March 1, 1944 to June 1944. The build-up for the Army Air Forces, European Theater, was to be accomplished by 1 June 1944. Troop strength was to be 409,000 by that time. Finance Department strength by that time was to be 208 officers, 11 warrant officers and 1,348 men, with a raise if approved, to 228 officers, 11 warrant officers and 1,498 men. By April 1944, the Finance Department in the Army Air Forces, European Theater, numbered 219 officers, eight warrant officers and 1,433 men. The Army Air Forces had 378,000 men. By June 1944, the Finance Department in the Army Air Forces numbered 217 officers, 11 warrant officers and 1,447 men. The Army Air Forces numbered 423,200 men.

128. Preparation for the Invasion. The Army Air Forces in the European Theater had been engaged in active air operations against the enemy long before the invasion of the Continent by the Army Ground Forces took place. Hence, the invasion preparations in the Finance Department with the Army Air Forces amounted to an intensification of effort to continue servicing combat troops.

129. June 1944 to May 7, 1945. As the Continental operations progressed, there was one complication caused by the establishment of new commands and reorganization of existing commands. This difficulty was overcome by placing unauthorized disbursing offices with these commands. These offices were obtained from the Fiscal Director, European Theater. Units of the Army Air Forces moved to the Continent in ever increasing numbers during the period June to October, 1944. By 15 September 1944, there were six fiscal offices, 21 accountable disbursing offices and 14 Class "B" Agent Offices in operation on the Continent. The Fiscal Office, United States Strategic Air Forces moved to the Continent, 2 December 1944, and was in operation there on 6 December. At this time, the Army Air Forces serviced by the Finance Department numbered 441,145 troops. The Finance Department numbered 218 officers, 11 warrant officers and 1,520 men; it operated 82 accountable disbursing offices, 75 Class "B" Agent Offices and 19 fiscal offices. In May 1945, the Army Air Forces serviced by the Finance Department numbered 503,874 troops. The Finance Department, with the United States Strategic Air Forces in Europe, numbered 229 officers, six warrant officers, 1,513 enlisted men and women and eight civilians; it operated 18 fiscal offices, 95 accountable disbursing offices and 46 Class "B" Agent Offices.

### SECTION 3

#### ORGANIZATION OF FINANCE DEPARTMENT

##### IN UNITED STATES STRATEGIC AIR FORCES IN EUROPE

130. Mission of the Fiscal Officer, United States Strategic Air Forces in Europe. The mission of the Fiscal Officer, United States Strategic Air Forces, was as follows:

"The Fiscal Officer, ASC, USSTAF, will exercise staff supervision to effect the accomplishment of the objectives and the execution of the plans and policies established by the War Department, Army Air Forces, ETO, and the Commanding General, USSTAF, pertaining to Budget, Fiscal and Finance activities. He will be responsible for providing overall staff direction; for making necessary decisions and furnishing information pertaining to budget, fiscal and finance programs and standards; for coordinating the work of the next lower subordinate commands, and for providing such review and check as are necessary to insure the successful accomplishment of the assigned mission."

131. Organization of Fiscal Office. The Office of the Fiscal Officer, United States Strategic Air Forces is shown in Appendix 22. It should be noted that the fiscal officer had decentralized to subordinate officers in the field, all operational functions. This fact, combined with the command policy of lateral correspondence with corresponding sections of other commands, allowed the organization to be simple and practical.

132. Organization of Subordinate Fiscal and Finance Offices. To a great extent the functional organization of the subordinate fiscal offices was comparable to the Office of the Fiscal Officer, United States Strategic Air Forces in Europe. The chart in Appendix 23 represents the complete administrative line organization of the fiscal and finance offices in the command. (Note that there was a difference in the organization between the Eighth and Ninth Air Forces.) In the Ninth Air Force the service was centralized under the Ninth Air Force Service Command. Although each of the other subordinate commands of the Ninth Air Force had a fiscal officer, his function was largely contact and advice. There was no direct responsibility for supervision of finance service in these fiscal offices within the command, but recommendations relative to this service were made to the Fiscal Officer, Ninth Air Service Command, through the Fiscal Officer, Ninth Air Force.

133. Types of Field Service Organizations. Field finance service was provided by four types of service organizations, namely:

- a. Finance sections which were organic parts of units, such as Air Depot Groups and Service Groups.
- b. Finance sections which were organic parts of Station Complement Squadrons, organized under manning tables.
- c. Finance Department at large. Appendix 34.
- d. Finance Sections (Aviation).

	<u>Off</u>	<u>W/O</u>	<u>EM</u>	<u>T/O&amp;E</u>	<u>Date</u>	
Finance Section, Service Group	2	0	15	1-412	16 June	43
Finance Section, Air Depot Group	1	0	5	1-852	1 Jul	42
Finance Section, Air Depot Group	2	0	15	1-852	20 Jan	44
Finance Section, ADO (Avn)	2	0	15	Ltr WD	29 Dec	43
Eighth Air Force Fin Dept at Large	0	0	75	Ltr Hq	17 Jul	43
Ninth Air Force Fin Dept at Large	16	0	120	Ltr WD	8 Nov	43
Finance Section Station Compl Sq	2	0	15	Special Manning Tables		

Note: As of 31 March 1945, the T/O 1-412 as shown above was changed to T/O 1-412T reducing the number of enlisted men to ten. This would have resulted in an overage of enlisted men, had not the scope of operations of Air Service Groups been reduced, and the number of Air Service Groups increased. By the end of May 1945, the shortage due to this change in number of Air Service Groups was 100 finance officers and 300 finance enlisted men.

134. Personnel Proficiency Quotients to Determine Troop Strength of Finance Department. The Finance Department with the Army Air Forces, European Theater, used a proficiency quotient as the basis for the build-up plan for Finance Department troop strength, or requisition. The figure of one finance enlisted man to service each 300 Army Air Force troops, was apparent from the facts. To illustrate how closely this figure worked out see Appendices 24 and 32.

135. Solution of Redeployment Problem. The Finance Department with the United States Strategic Air Forces in Europe were called upon early to meet the problem of redeployment of troops. In July 1944, Army Air Force units in the European Theater were already being redeployed to other theaters of operation. A combination of measures was quickly instituted, namely; adjustment between sections, requisitioning personnel from disbanded units elsewhere in the world, step up in normal requisitions of personnel, surveying military occupational specialties in the entire command, screening, and reassignment.

136. Mutual Service. In complying with European Theater fiscal directives, the Fiscal Officer of the United States Strategic Air Forces in Europe required that all paying and servicing installations assist in servicing Army Ground Force and Services of Supply troops wherever possible. In return, the Services of Supply and Army Ground Forces helped render finance service to Army Air Force personnel when necessary, especially during the build-up period.

137. Funding. The individual finance disbursing officers with the Army Air Forces were provided habitually with air transportation to the funding offices of the armies and communications zone. Thus, they were in a position to save much time as compared to disbursing officers with ground force units and communications zone units who travelled by land. The funding facilities of the armies and the communications zone were used by the Army Air Forces on the Continent, as well as in the United Kingdom.

138. Soldier Savings Program. Radio broadcasts were made, pamphlets printed, savings sign up lists posted, savings contests were held, individual records of savings books were printed and distributed. Trained former promotion salesmen from the Fiscal Director's Office were detailed to promote savings. The nature of the fact that the Army Air Forces received pay and a half for flying, posed a special problem on the Fiscal Director, European Theater, when it came to excess cash in hands of individuals. See Appendix 25 for a visual representation of facts concerning savings in the Army Air Forces, European Theater.

139. Publications. The Finance Office, United States Strategic Air Forces, took full advantage of the reproduction facilities offered by the topographic sections on duty with the Army Air Forces. Theater directives were reproduced in the form of manuals and handbooks for example; the reporting procedure for Reciprocal Aid and Lend-Lease, procedure for submission of Reports of Survey, etc. This helped to decentralize technical administration, and to reduce this work to routine.

#### SECTION 4

#### DISCUSSION

140. Discussion. The Finance Department with the Army Air Forces, in the European Theater, rendered efficient service from the start of the campaign until its end. There were three major factors which were responsible for making this service possible:

a. The United States Strategic Air Forces in Europe had administrative headquarters as well as operational. This allowed one fiscal officer on this staff to be responsible for this service to the Fiscal Director, European Theater. This made for uniformity of work and complete conformity with theater policy.

b. The early establishment of a proficiency quotient as a basis for requisitioning personnel provided a much different, and perhaps more correct, proportion of men to render the service to the troops than pertained in the Army Ground Forces and communications zone.

c. The mutual cooperation in furnishing service and help between the finance personnel Army Air Forces and finance personnel in the Army Ground Forces and the communications zone.

### CHAPTER 3

## THE ACTIVITIES OF THE FINANCE DEPARTMENT IN THE ARMY GROUP

### SECTION 1

#### INTRODUCTION

141. Finance Administrative Functions. Army groups had few administrative functions other than those concerning army group troops. For this reason, the army group finance section was small in comparison to an army fiscal section or even a division finance section. The following quoted communication sets forth the instructions in effect during the period when army groups were operational:

A G C A B L E G R O U P  
I N C O M I N G M E S S A G E

D A T E D None

R E D ' D 0 6 1 9 3 0 B A U G 4 4

R O U T I N E

F R O M : H Q F I F D E C H A D V S E C C O M 2 s i g n e d M o r i a r t y f o r C o b b s

A C T I O N T O : F I N A N C E O F F I C E R , T W E L F T H U S A R M Y G R O U P A P O 6 5 5  
F I S C A L O F F I C E R , F I R S T U S A R M Y A P O 2 3 0  
F I S C A L O F F I C E R , T H I R D U S A R M Y A P O 4 0 3  
F I S C A L O F F I C E R , A D V A N C E S E C T I O N , C O M 2 A P O 1 1 3

R E F N O : J X 1 2 4 5 8

Finance Officer, Twelfth US Army Group, will exercise administrative jurisdiction over finance personnel of the Twelfth US Army Group only. He will not exercise administrative jurisdiction nor technical supervision over Army Fiscal Officers, Corps Finance Officers, Division Finance Officers or Finance Officers of Units attached to Armies or Corps, all of whom will continue to operate as heretofore.

S E C T I O N 2

O R G N I Z A T I O N

142. Table of Organization. There was not a formal table of Organization as such in effect. However, there was a table of allotment to which additions and subtractions were made as conditions warranted, by army group headquarters.

143. Division of the Finance Section into Branches for Functioning. Twelfth Army Group Finance Section was divided into four branches, namely: administration, plans, fiscal savings and insurance. Sixth Army Group Finance Section was a single attached standard disbursing section augmented by the army group finance personnel of one officer, one warrant officer and six enlisted men. Appendix 26.

S E C T I O N 3

D I S C U S S I O N

144. Disbursing. There was more disbursing to be done at army group than the small organic sections could perform. The reason for this was that army group troops were numerous, and none had organic finance sections. Appendix 27. This left army group to furnish the service. Hence it was necessary to permanently attach a disbursing section for this work, and even to aid the disbursing section by the loan of men from the army group finance section.

145. Funding. There was not the problem at army group headquarters concerning funding, such as that which was ever present at army and corps. The reason for this is, there were no finance disbursing sections to fund, other than the one attached section.

146. Administration. Research shows that the amount of administration to be done actually did not warrant the employment of two officers, one warrant officer, and six enlisted men, and that this personnel was more beneficially employed in aiding the attached disbursing section.

147. Fiscal. The section reported on funds allotted to army group headquarters only. These funds were small entertainment and intelligence funds.

#### SECTION 4

##### SUMMARY

148. The original concept of the size of the army group headquarters finance section was faulty. The section was too small to provide disbursing service and too large for the few administrative tasks to be performed.

#### CHAPTER 4

### THE ACTIVITIES OF THE FINANCE DEPARTMENT IN THE ARMY

#### SECTION 1

##### INTRODUCTION

149. Administrative Link Between the Fiscal Director and the Field. In the Army Ground Forces in the European Theater of Operations, the army was the largest administrative unit in the combat zone. Army groups on a higher level than army, and corps on a lower level than army, were tactical headquarters, and as such were not charged with administration. Therefore, the army fiscal officer was the link between the Fiscal Director, European Theater and the disbursing sections in the field, in the combat zone.

#### SECTION 2

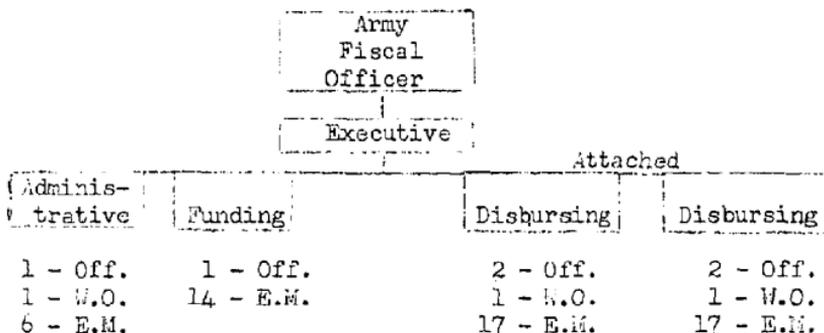
##### ORGANIZATION

150. Table of Organization. The Table of Organization (T/O 200-1) of an army fiscal section is shown below:

T/O 200-1: Army Fiscal Section: 4 officers,  
1 warrant officer and 20 enlisted men.

1 Colonel  
1 Major  
1 Captain  
1 First Lieutenant  
1 Warrant Officer  
  
1 Master Sergeant  
2 Technical Sergeants  
1 Staff Sergeant  
2 Technicians Third Grade  
2 Technicians Fourth Grade  
5 Technicians Fifth Grade  
5 Privates First Class

It was organized to function as a standard disbursing section to pay nearby army troops, and in addition to administer all army troops. Appendix 28. Combat experience proved that this organization was inadequate to perform required functions. Below is shown the actual final organization of most army fiscal offices in the field in the European Theater of Operations, at the cessation of hostilities.



Note: When two disbursing sections were attached to army headquarters they were each given two men from the organic army finance section, resulting in administrative Section being cut to 1 - 1 - 4 and Funding Section to 1 - 12.

On April 30, 1945, forty finance disbursing sections were assigned to the five armies in addition to the organic sections. The average army had three each such disbursing sections to service its army troops, and two each sections for every corps attached.

151. The Branches of the Office. The army fiscal office resolved into the following branches: administrative, funding and disbursing. In some army finance offices, there was a very small fiscal branch.

### SECTION 3

#### SPECIFIC FUNCTIONS OF THE ARMY FISCAL OFFICER

152. Technical Interpretation. In the Finance Department, technical directives emanated frequently from the Office of the Fiscal Director, Army Service Forces, Washington, D.C. by various standard means. These directives were sent by mailing list directly to the various disbursing officers all over the world. When this happened, the Fiscal Director, European Theater, issued, if necessary, his interpretation of these directives for the European Theater. The army fiscal officer then interpreted the application of these directives for his particular army area. The same process applied to directives originating in and emanating from the Office of the Fiscal Director, European Theater, or from the Supreme Commander's Office. Frequently, technical administration originated in the office of the army fiscal officer on matters peculiar only to the army area. The army fiscal office was the medium for solving questions on technique arising in the field. This was usually done by direct contact with the disbursing officers concerned. When the problem was potentially of theater wide importance, the Office of the Fiscal Director was consulted for approval of solution, or advice.

153. Supervision of Payment of Troops. Army fiscal officers being charged with the responsibility of prompt troop payments, were constantly concerned with the status of troop payments. Command surveys were made requiring reasons for non-payment of troops. Reports of operation were compared from month to month. The shifting about of, or obtaining additional finance disbursing sections, was employed to ease density strain in parts of army areas.

154. Fiscal. The commanding general delegated the accounting for and sub-allotting of appropriated funds to the army fiscal officer. Monthly reports from units were consolidated and the army report rendered monthly by the army fiscal office.

155. Economic. In the actual operations in Germany, army commanders were confronted with problems concerning the interior economy of the army area. Army fiscal officers were called in for their advice on, and to play a part in the solution of the problems. This function required the broadest interpretation of the standard duties of a fiscal officer. Typical problems were: Ruling on captured currency hoards, restitution of local banking facilities, blackmarket activities, illegal dealing in currency by natives or by soldiers, and the paying of discharged former members of the German army, upon release from prison camps.

156. Property Audit. The accounting for losses of property was handled by submission of Reports of Survey (see Part One, Chapter 3). The Secretary of War delegated, through the European Theater Commander, to organization commanders, in diminishing degrees, his Report of Survey authority. The Reports of Survey from army units were examined and channelled upwards from below through the army fiscal officers. This provided a check on excesses occurring in certain units in the army. Such excess was then investigated and proper action taken.

157. Soldier Savings Program. The army finance officers were cooperative in the furtherance of the perpetual savings campaign launched in the European Theater. One army sent out teams to assist finance officers and personnel officers in conducting the savings program in the home areas of the units. Close cooperation with the subordinate unit savings officers resulted in very small amounts remaining in the hands of individual soldiers. Monthly reports of cash retained in hands of individuals were examined, and those organizations not taking full advantage of saving facilities, as manifested by large retained balance ratios, were inspected, and if necessary, were instructed concerning availability of savings services.

#### SECTION 4

#### FUNCTION OF THE ADMINISTRATIVE BRANCH

158. The administrative branch composed of one officer and three enlisted men of the army fiscal office assisted the fiscal officer in:

a. Exercising technical administrative control over all disbursing officers in the command.

b. Collecting and distributing information between the field and higher echelons.

c. Procuring and assigning personnel both individually and by section, to decrease large work loads, and provide better all around service. Rotation of personnel is included in this function in regard to promotions and morale.

d. Handling all correspondence.

e. Providing target teams to locate and guard known concentrations of enemy currency stores or enemy loot piles.

f. Checking and properly channeling Reports of Survey.

g. Receiving, checking, assembling, and forwarding disbursing offices' monthly reports.

h. Setting up installations and supervising same, for paying American military personnel recovered from enemy control.

i. Providing finance service for captured enemy personnel.

## SECTION 5

### FUNCTIONS OF FISCAL BRANCH

159. In those army fiscal offices, where the commanding general placed fiscal responsibility over allotted funds, the work was handled by one officer and one enlisted man on a part time basis. The functions were:

a. Receive and post allotments of funds.

b. As approved by the Assistant Chief of Staff, G-4, sub-allot and record funds to corps and division, and to purchasing and contracting officers.

c. Receive and post monthly reports from allottees.

d. Make monthly reports of obligations and unobligated balances to higher headquarters.

e. Advise the allottees on technical matters.

## SECTION 6

### FUNCTIONS OF DISBURSING BRANCH

160. Problems in Disbursing at Army Headquarters. The large numbers of army troops were more than the organic army fiscal section could pay and service. See Appendix 28. In addition to paying these army troops, the section was required to:

a. Convert money from one currency to another whenever required by individuals or the command as a whole.

b. Receive daily the large volume of postal receipts in currencies from sale of money orders and stamps in the army post office.

c. Receive currencies from sales of Post Exchanges in the area.

d. Receive currencies from Quartermaster Sales Stores in the area.

e. Receive currencies for transmission home by troops through personnel officers.

f. Receive currencies for cash sale of war bonds and cash soldiers deposits.

g. Receive captured currencies.

h. Receive currencies from personal effects of those killed or wounded.

i. Fund the division and finance disbursing sections in the army, maintaining large stocks of currencies on hand.

161. This work load was quickly adjusted in the same manner in all armies. Separate disbursing sections were requisitioned from the communications zone and attached to each army headquarters as already mentioned. This permitted the organic army fiscal section to fund disbursing sections, in addition to servicing army headquarters. Experience showed that throughout the armies, including division sections, that the work was distributed in the proportion of one section to approximately 12,000 assigned troops.

## SECTION 7

### EQUIPMENT

162. Discussion. There were three deficiencies in the finance disbursing sections referred to in this chapter.

a. The non-organic finance disbursing sections were without assigned transportation. Consequently they were often left behind for that reason. These separate disbursing sections were not included as non-divisional army troops, and transportation for attached troops was not included in the equipment of the armies. This fact made it difficult to obtain transportation for these units except to share with organizations which had an excess of transportation.

b. Safe space was inadequate. On account of the limited number of trips to the funding office, currencies accumulated far beyond the small safe capacity furnished. Captured safes remedied this fault in some cases. In other cases, wooden boxes were used.

c. The office machines issued were perhaps the best available. However, they were not rugged enough. They were not adaptable to all the various forms of current and voltages furnished in Europe. If they were hand machines, they were too slow to manipulate. The question of paper sizes for these machines further handicapped operations.

## SECTION 8

### SUMMARY

163. General. The organic army fiscal section as set up on T/O & E 200-1 before combat was not sufficient to render service

to the large number of units attached to armies and in addition to administer fiscal activities in the army. The matter of administration included a wider scope of operations than had ever been contemplated. The matter of disbursing and funding volume in the field armies required the aid of separate finance disbursing sections.

## CHAPTER 5

### THE ACTIVITIES OF THE FINANCE DEPARTMENT IN THE CORPS

#### SECTION 1

##### INTRODUCTION

164. Corps Within the Army. When the corps was part of an army, it had few administrative functions other than those pertaining to corps troops. For this reason, the finance sections of the corps were small. It was contemplated to use the small section to disburse to corps headquarters and close-by corps troops, as well as to administer the finance activities of corps troops. However, it did prove necessary for some corps finance sections to fund division finance sections, because all armies did not supply and evacuate currencies from their subordinate units. This was due to a lack of fundamental knowledge on the part of some army fiscal officers in reference to the responsibilities of an army as to supply and evacuation. (Appendix 31)

#### SECTION 2

##### ORGANIZATION -- AS A STAFF SECTION

165. Organization. The finance section of a corps was headed by the corps finance officer, who was a member of the special staff of the corps commander. The section organized under T/O 200-1, as shown below, was composed of two officers and six men, including the corps finance officer. The office was divided into an administrative branch and a very small disbursing branch.

1 Colonel  
1 Captain  
  
1 Master Sergeant  
1 Technical Sergeant  
1 Technician Third Grade  
1 Staff Sergeant  
1 Technician Fourth Grade  
1 Technician Fifth Grade



166. The army fiscal officer, and not the corps finance officer, held direct administrative jurisdiction over the finance sections attached to corps and over the finance sections organic in the divisions of the corps. One important function of the corps finance officer, however, was to periodically visit the corps troops and if necessary, notify and educate these corps troops as to the finance service available to them, and how best to utilize these services. This was an administrative function, but it proved necessary. Only

when a corps was detached from an army, for both operations and administration, did the corps finance officer have an opportunity to exactly discharge his duties as stated in Field Service Regulations. Detachment of corps from armies was rare, and in those few cases, the corps finance officer assumed the role of the army fiscal officer in a small army.

### SECTION 3

#### ACTUAL FUNCTIONING OF A CORPS FINANCE OFFICE

167. General Functioning of a Corps Finance Office. Experience in combat quickly molded all corps finance offices into the same form, to carry out their role in helping to provide finance service. It was learned that the corps finance officer and one man were sufficient for the discharge of administrative duties. This left the junior officer and five men free to provide one of two essential services: disbursing or funding.

168. Specific Functioning, Disbursing. If no other finance disbursing sections were available for attachment to the corps and if the number of nearby corps troops was small, the one officer and five men were equipped to service the corps headquarters and nearby corps troops with disbursing service.

169. Special Functioning, Funding. Funding was not a function of the corps, but in many cases it was performed by the corps for its divisions. When it was possible to have one or two numbered disbursing sections attached to the corps, to pay the usually large numbers of corps troops, the small branch of the corps section could fund division finance sections and attached finance sections in the corps.

170. Specific Functioning, Fiscal. The fiscal activities in corps finance offices were generally negligible. The fact that army sub-allotted only entertainment and intelligence funds, and these to divisions directly, and to corps directly, precluded any fiscal activity in the corps except for the corps itself. It was handled by the small administrative branch of one officer and one man, in addition to other duties.

### SECTION 4

#### SUMMARY

171. Summary. The organic corps finance section was inadequate to cope with the functions expected of it. Experience proved that the section was too small to do the required amount of disbursing. It likewise was too large for the maximum potential amount of administration required. The average attachment to render proper disbursing service was two separate finance disbursing sections in addition to the small organic section.

### CHAPTER 6

#### THE ACTIVITIES OF THE FINANCE DEPARTMENT

##### IN THE DIVISION

#### SECTION 1

##### INTRODUCTION

172. Introduction. This chapter is devoted to a study in

detail of the activities of the basic disbursing unit in the Finance Department, the division finance section. This is the type of section which rendered disbursing and banking service for the individual. This may also be considered a study of the numbered or separate disbursing section.

173. Organization. The actual table of organization of a division finance section depended on whether it was an Infantry, Armored, or an Airborne division finance section. The composition of the section as it actually worked from day to day in the European Theater of Operation was uniform. The average when analyzed, actually, notwithstanding tables of organization, regardless of the type of section, whether numbered disbursing section or division section, consisted of two officers, one warrant officer and 25 enlisted men. In the analysis, Appendix 29, the figures show all men present as of the last day of the month. These figures do not disclose the number of soldiers on special duty with the finance sections. Interviews with many division finance officers reveal that the average number of men carried on special duty was five enlisted men. This overstrength will be explained in the discussions that follow. These five enlisted men then, plus the figures shown on the Appendix will account for the 25 enlisted men aforementioned. Tables of Organization of the three types, Infantry, Armored, Airborne, and separate numbered disbursing sections are digested in Appendix 30.

## SECTION 2

### DIVISION FINANCE SECTION

174. Division Finance Officer. The division finance section was headed by the division finance officer who was a member of the division commander's special staff.

## SECTION 3

### ORGANIZATION FOR FUNCTIONING AS A DISBURSING SECTION

175. Partition into Working Teams or Branches. The Section was divided into five branches for work:

- a. Administration
- b. Accounting or Bookkeeping
- c. Enlisted Pay
- d. Officers Pay
- e. Cashiers

## SECTION 4

### FUNCTIONS OF THE BRANCHES

176. Administrative Branch. This branch was manned by one man, who was primarily a good stenographer and secretary. His duties were:

- a. To keep the administrative files for the office in general.

b. To type all the official correspondence for the finance officer.

c. To file the disbursing officer's old and current records other than capital papers.

d. To draw and issue all supplies to the section.

e. To type regular and special reports.

f. Maintain and post Army Regulations, Circulars, and Finance Publications.

g. To type checks when this was not done by the accounting section.

h. To do miscellaneous work of a stenographic nature.

177. Accounting Branch. The accounting section was headed by an enlisted man of the first three grades, excluding the Master Sergeant. He was assisted by a permanently assigned assistant and always by an understudy. The duties of the branch were to:

a. Prepare the Schedules of Collections and Disbursements.

b. Prepare Account Current and related papers.

c. Keep Cash Book.

d. Keep Check Register.

e. Verify Treasury Statement or Bank Statement.

f. Write checks when not done by administrative section.

g. Keep Voucher Register.

h. Process all vouchers.

i. Prepare vouchers and capital papers for shipping.

j. Prepare monthly foreign currency report.

k. Supply statistical data relative to the account when requested by the Fiscal Director's Office or other higher offices.

l. Keep Inspector General Forms up-to-date to facilitate inspections by the Inspector General.

178. Enlisted Pay Branch. This branch under the supervision of the warrant officer was headed by an enlisted man of the first three grades, excluding the Master Sergeant. The branch had eight enlisted men of lower grades to assist the branch head. The duties of the enlisted pay branch were:

a. Figure in dollars and convert to foreign currency, all enlisted payrolls, including partial, supplemental and regular payrolls, and voucher them for payment.

b. Figure all final statements in dollars; when paid locally in foreign currency

c. After payment, prove and brief all vouchers figured by the branch.

d. Assist the officers' pay branch by supplying an understudy to aid them in peak work periods.

179. Officers' Pay Branch. This branch under the supervision of the Warrant Officer was headed by a first three grade enlisted man, excluding the Master Sergeant. The branch consisted of a total of two men and a part time understudy from the enlisted pay branch. The duties of this branch were to:

a. Figure in dollars, and convert to foreign currency, and voucher for payment, the pay and allowances of all the officers of the command.

b. Figure and voucher all officers' reimbursement and travel vouchers.

180. Cashier Branch. Two bonded enlisted men under the direct control of the disbursing officer comprised the cashier branch. These men were selected on the basis of ability to handle money neatly and fast manually, as well as ability to think fast, and accurately. Their duties were to:

a. Actually pay and prepared and approved vouchers presented for payment.

b. Handle class "A" agent officers' accounts.

c. Take in the turn back of money remaining from pay day.

d. Accept cash collections.

e. Accept soldiers deposits, war bond payments, and personal transfer accounts of soldiers through the personnel officers of the division.

f. Convert foreign currencies for organizations and for authorized individuals. Appendix 35.

g. Cash personal checks after approval by the finance officer.

h. Keep the cash blotter.

i. Compile the daily analytical data for their part of the monthly foreign currency report and reports of operation.

## SECTION 5

### THE ASSISTANT AND DEPUTY FINANCE OFFICER

181. Duties. This officer was bonded and deputized by the Secretary of War in order to at any time act officially in the name of the finance officer.

## SECTION 6

### THE WARRANT OFFICER

182. Duties. This officer was bonded and served as an officer assistant to the Finance Officer. Many disbursing officers had him deputized in addition to the junior officer. He acted in the absence of the Finance Officer and Deputy Finance Officer. His duties as an Assistant Finance Officer placed him in a supervisory capacity over all branches of the office, but particularly in charge of the enlisted and officers' pay branches. He was responsible for the timeliness and efficiency of the work done by those two sections, and for an after payment audit of their vouchers paid.

183. Alternate Use. In many division finance offices, studied for this report, the warrant officer was Chief Clerk and the Master Sergeant was in charge of two or more branches of the offices.

## SECTION 7

### THE MASTER SERGEANT

184. Duties. As chief clerk, the duties of the master sergeant were to:

- a. Handle incoming and outgoing mail.
- b. Organize and equalize the work between branches.
- c. Be responsible for the details of administration.
- d. Keep action files with ticklers for statements of differences; notices of exceptions; lost, stolen, or destroyed checks; and overpayments.
- e. Examine and screen allotment applications and changes to be forwarded, through the finance officer, to Office of Dependency Benefits. (A system developed after May 7, 1945, end of war.)
- f. Collect information from branches concerned, for the rendition of all reports required to be rendered by the office.
- g. Keep custody of postage stamps and account therefor.
- h. Act as liaison for the section in its intramural dealings with other sections in both business and recreation.
- i. Make reports of collection of overpayments to other disbursing officers and to retain records for the disbursing officer's account when vouchers have been forwarded.

## SECTION 8

### TABLES OF ORGANIZATION AND EQUIPMENT

185. Differences of Opinion as to Tables of Organization. In making this study, it was found that no division finance officers organized their sections exactly in accordance with the applicable Table of Organization of a division finance office. Most thought there were too few men, and hence carried an average

of five men on special duty in addition to three men attached, to aid in doing the work. The differences from Tables of Organization were not too severe in the Infantry and Armored divisions, but in the Airborne divisions the Table of Organization was exceeded by an average of nine men. Ratings averaged about the same proportion as prescribed in the applicable tables of organization. Men on special duty received no ratings except from their parent units.

186. Tables of Equipment. In work of this nature it is necessary to have rugged office machines, sufficient safe space, adequate lighting facilities and necessary portable office furniture. Sufficient assigned transportation must be available to conduct business and to move from location to location.

187. Analysis. Appendix 30 shows the Tables of Organization of each type of section that was in effect. Appendix 29 shows the average number in excess of Table of Organization strength that the average type of section used. This latter table does not show people carried on special duty.

## SECTION 9

### COMBAT PAYMENTS AND COLLECTIONS - FACTORS TO BE CONSIDERED

188. Soldier's Viewpoint on Pay During Combat. During active combat operations in a fighting division, it would have seemed unnecessary to pay the troops while they were so busy. However, it was found that troops were just as concerned about money while in combat as they were out of combat. Perhaps the soldier desired to send his money home and not draw his pay. If so, he demanded to be presented with a copy of the payroll once a month, just to assure himself that his name was on the payroll, and that his savings plan was in writing, and would be executed for him. If a soldier desired to draw his pay and send it home himself, or keep it in his pocket, he expected to be paid on pay day, regardless of combat.

189. Accessibility of Office to Combat Troops. In the European Theater, it was customary to split division headquarters into a forward and rear echelon. Some divisions had a third split called "Main". It was almost standard procedure to place the finance section with the rear echelon of a division headquarters. Where the rear echelon was placed in relation to the combat elements was a command decision, and varied with different division commanders. Some infantry division left their rear echelons quite far to the rear while the division advanced, and moved them up only when the distance involved required it. This was due only to lack of organic division transportation. Some armored divisions carried their rear echelons mobile along with or near the forward echelon. In airborne divisions, the solution was a stationary rear echelon. In average combat, the location of rear echelons in relation to troops served, varied in all divisions.

190. Proper Funding. In order to give instantaneous service, it was necessary to be prepared to issue or receive any ten of twenty currencies in any desired amounts and denominations. To have access to a near funding office was of prime importance in

accomplishing this service. As described in other parts of this study, the funding of divisions was not wholly satisfactory. Better service could have been rendered had an allotment of troops for funding been provided the Finance Department in the troop basis of army troops.

## SECTION 10

### NATURE OF FINANCIAL TRANSACTIONS DURING COMBAT

191. Final Statements and Transcripts of Pay and Allowances. Considered of utmost importance by the War Department, was the prompt submission for settlement of pay accounts of those killed in action. These Final Statements for enlisted men, and Transcript Statements of Pay and Allowances for officers, were processed and mailed daily during combat by finance sections.

192. Receipt for Money Found in Personal Effects. The money taken from the personal effects of those wounded or killed in action was promptly collected from units by personnel officers and turned in to the finance section, where a receipt was immediately rendered therefor. The money either was reclaimed by the owner later, or was transmitted to the heirs through the Effects Quartermaster, Kansas City, Missouri, U.S.A., by quasi-official check.

193. Regular Pay and Supplemental Pay. Money was bagged and on hand in divisions, ready for pick up by agent officers on the last day of each month. If circumstances prevented the pick up of the money, the money was held available for pick up at any time later. During combat, supplemental pay could be arranged by the personnel adjutant with the finance officer at any time. No appointed supplemental pay day was necessary.

194. Funds to Intelligence Officers and Purchasing Agents. Funds were always available during combat to authorized officers for intelligence purposes and to purchasing and contracting officers.

195. Loss of Pay Rolls Due to Enemy Action. In the very few cases where pay roll money was lost due to enemy action, the losses were investigated by appointed boards of officers and submitted for decision to higher authority.

## SECTION 11

### FAVORABLE AIDS IN MAKING COMBAT TRANSACTIONS

196. Company Commanders. In combat, the company commander cooperated to the fullest with the finance officer. It was the company commander's responsibility to see that his men were serviced. Therefore, he lightened both his load and the load of his disbursing officer. Some of the ways in which he did this were:

a. In converting money for his men he did it all in one operation.

b. By instructing his men not to sign the payroll unless they wished to be paid. This saved much extra work and lowered the amount of turn back money from payrolls. Regulations state that men must be paid once a month. Combat altered this principle.

c. He cooperated with the agent finance officer paying his company, by helping him locate all the men to be paid.

d. He had a system for handling captured money and turning it in quickly.

e. He had regular appointed times for the soldiers to turn in excess cash for savings.

197. Personnel Officers. Personnel officers carried on the closest liaison between the division finance office and the companies in the units. During active combat he was the active personal representative of the men in all of their dealings with the finance office. Without this important link, good service would have been impossible.

198. Cooperation With Other Finance Offices. Early in the war, directives from the Fiscal Director, European Theater, set a policy, whereby in the best interest of the service, all finance offices were to mutually assist one another, by making payments and rendering service to units other than those normally serviced, if those other units were in close proximity. This feature worked very well and helped to solve problems of servicing distant units, especially in cooperation with the Army Air Forces.

## SECTION 12

### TECHNICAL METHODS OF ACCOMPLISHING

#### PAYMENTS AND COLLECTIONS DURING COMBAT

199. Regular Pay, First Method. Pay rolls were typed by personnel sections by the 10th or 15th of the month. They were sent by courier to the companies to be circulated for signatures. The signature at this point signified willingness to accept pay. The payrolls then were sent back to the personnel section which turned them into the finance office. The payrolls were figured and balanced, and money put up in bags. The personnel officer would then cause to be published the names of the agent finance officers who would pick up the money and pay the troops. Pay day legally was the last day of the month, but in combat, this day was not always pay day. However, the money was ready and the agents as published in orders, called for it as soon as it was possible for them to do it. The actual time consumed by the agent in paying his payroll varied according to the combat duty the organization was performing. At times in cavalry reconnaissance troops, it took a week to find the last man. In field artillery batteries, always employed together, it was rather simple and took little time. In truck companies, due to long trips, it would take longer than in a rather stationary infantry line company. When the payments were completed, the agent officer would return the witnessed payrolls, with the money he could not deliver, and obtain his clearance. Many finance officers required all three copies of the payroll to be submitted for checking at turn back time. This feature guaranteed that the copy used to form the basis for service record entries next month would balance with the original payroll. In this method, each agent finance officer reported twice to the finance office, once to obtain the money and once to return the payrolls and turn back money.

200. Regular Pay, Second Method. The same method as above,

except that the payrolls were not sent to the companies for signature, and 100% of the names were figured for pay. The men signed for the money upon receipt. However, many men each month did not desire regular payment and refused the money. This caused a wastage of labor and an excess in large turn backs of money to the finance officer. The agent officers were also published in orders under this method, but only one agent from all of the agents in any one unit would draw the money from the finance officer. The one agent signed for all the payrolls and money on one receipt and carried unsigned receipts to the other agent officers. He would issue the money out to the other agents when they signed the (unsigned) receipts. Then to turn back the money and payrolls, each agent came to the finance officer for clearance. The agent that originally signed for all the payrolls presented his own payroll in return, plus the other signed receipts and obtained his clearance with the others. This method was very satisfactory and saved much gasoline, rubber and time.

201. Soldiers' Savings. In accordance with directives issued by the Fiscal Officer, European Theater, the companies usually had a junior officer detailed as savings officer. This officer, on pay day, and at other designated times, was free to accept soldiers' money for the cash purchase of war bonds, for deposit in 4% Soldiers Deposit Accounts, or to send home by Personal Transfer Account, or Postal Money Orders. The soldier turned his money in to the savings officer who issued a hand receipt therefor to the soldier. The personnel officer receipted in bulk for the money to the savings officer and obtained lists showing data, and what method was to be used in transmission. The personnel officer then had typed up the proper number of forms for Soldiers Deposits, and individual receipts for War Bonds and Personal Transfer Accounts, and turned the money in to the finance office. The finance office verified the money and checked the forms. The finance officer then signed the soldiers deposit books and countersigned a duplicate copy (personnel officer's copy) of the forms, keeping the original. The receipts were then abstracted by the finance section and the abstracts mailed for processing by the proper agency. The soldier's deposit book was held accessible to the soldier at all times at the personnel office. In some cases finance officers had the personnel officers prepare the Abstract of Personal Transfer Accounts and give a receipt for the total turned in.

202. Captured Money. Captured money in the early part of the operations caused much concern by falling into wrong hands. An education program showed the way for the proper turn in of captured funds. Most soldiers were very anxious to properly get rid of captured money by turning it in to the company, which company turned it in to the finance office for a receipt to be given the man or men.

203. Conversion of Funds. Money was collected as soon as possible after crossing a frontier. The process was by company wide collections and issuance of individual receipts by appointed company savings officers. Names were placed on rosters. Rosters and money were turned in to finance office and receipted for by the finance officer. Rosters were converted and change listed and paid at a later date to the savings officer who surrendered the receipt. The same procedure applied to men going on pass to foreign countries.

204. Postal Receipts, Red Cross and Post Exchange. An Army Post Office, Red Cross Office, and Army Post Exchange Office were

organic with each division. All money taken in by these organizations was deposited with the finance officer. In the case of the Army Post Office, and the Army Post Exchange Office, the receipts were substantially large. These turn-ins were regular and hence they were scheduled at times when business with individuals was slack by mutual agreement.

## SECTION 13

### SUMMARY

205. Summary. From the above detailed report it is obvious that the basic agency of the Finance Department in the European Theater was well occupied and rendered much service to the soldier. This chapter should fill a want, for no where in the archives of the Finance Department is there a detailed study of the basic disbursing section in combat.

## CHAPTER 7

### CONCLUSIONS AND RECOMMENDATIONS

#### SECTION 1

#### CONCLUSIONS

206. From the study of the activities of the Finance Department in the combat zone, European Theater, it is concluded that:

a. The control of the finance activities in the ground forces as exercised through five separate army fiscal officers was most difficult for the Fiscal Director, European Theater. Each army fiscal officer interpreted regulations, directives and policy differently. This subtracted from what might have been a uniform scope of finance service in the ground forces in the combat zone.

b. In general, due to a lack of knowledge by most army fiscal officers of the principles of supply and evacuation, as stated in basic Field Manuals, the funding service was not as well provided in the armies as it could have been. Had these army fiscal officers understood funding as simply a currency supply and evacuation function, and had they all then used their organic and attached separate sections accordingly, the problems of funding and long distances connected therewith, would have been solved.

c. The shortage or overage of attached separate disbursing sections in army group, army and corps would not have been acute, had there been provided by the War Department before the emergency, the necessary non-divisional Finance Department units under T/O & E for attachment to army group, army and corps in definite ratios, to service the non-divisional troops attached to these headquarters.

d. As a result of the facts stated in (c) above, the matter of transportation and housekeeping facilities for the separate disbursing sections, which did help service non-divisional troops in the combat zone, was unsatisfactory. This would have been avoided had these sections been non-divisional units (T/O & E) attached, and not considered merely as service troops attached.

e. The organic finance sections of army groups and corps

and the organic fiscal sections of armies, were not correctly formed, nor were their functions definitely enough prescribed. According to Field Manual 101-5, the duties of all staff finance officers were the same. The various interpretations resulting therefrom were indeed varied in the scope of operations attempted, and thus rendered incorrect the organization of the respective sections.

f. The division finance sections were generally satisfactory in their performances. There was a definite shortage of personnel in all sections, indicating a ratio of one finance man to each 500 troop strength was more correct than any other ratio. Or, for a division of 12,500 men, there were on duty, including assigned, attached or on special duty, 25 enlisted men in each such division section. The acquisition of extra personnel was due to increased services rendered, to the great volume of conversion and reconversion of a large number of currencies, and to the added work and time consumed in converting from dollars to foreign currencies for each item figured.

g. That the Finance Department in the combat zone of the European Theater rendered complete banking and finance service to each and every soldier therein.

## SECTION 2

### RECOMMENDATIONS

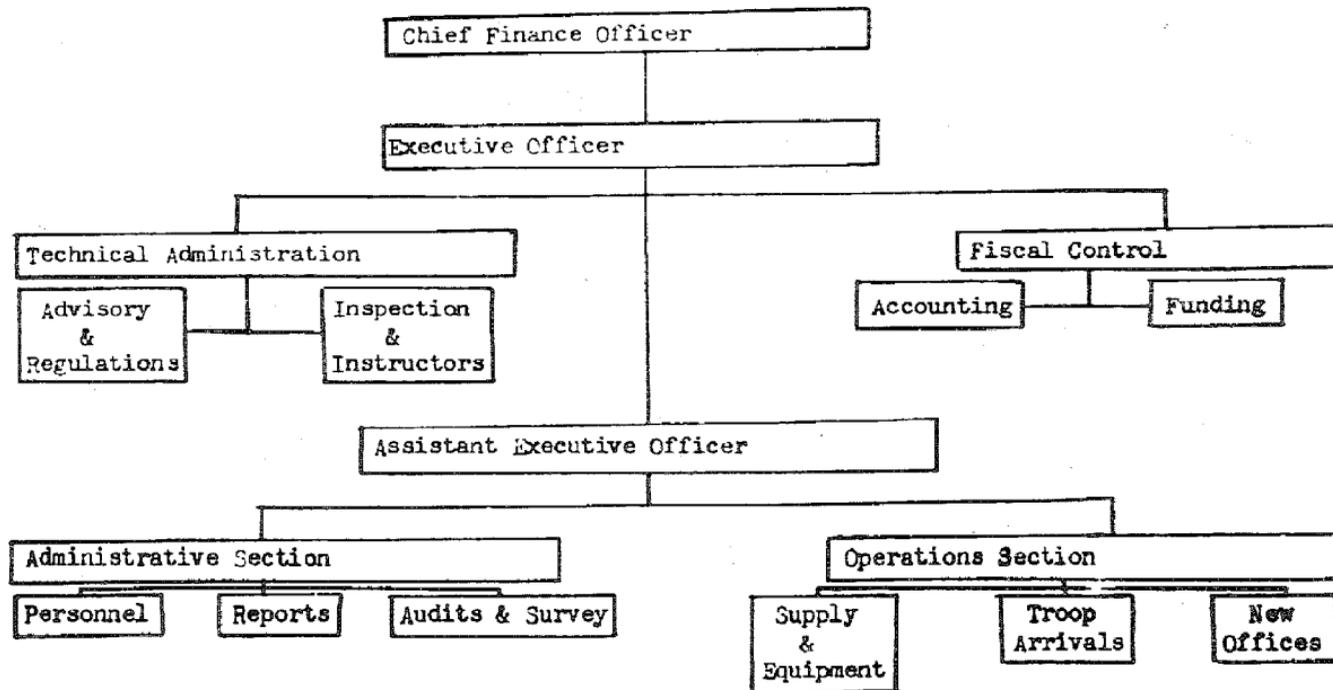
207. In the financial operations in the combat zone of a theater of operations commensurate with the European Theater of Operations, it is recommended that:

a. One administrative control fiscal officer subordinate to, and responsible to, the Theater Fiscal Director, be placed in charge of all finance activities in the ground forces of the combat zone. This would guarantee uniform scope of service in the various armies, notwithstanding the interpretations of the various staff fiscal officers in these armies.

b. Finance Department non-divisional units be prescribed under T/O and E in War Department publications. These units to service troops of the air, ground, and service forces without organic finance service, in addition to the organic finance sections of army groups, armies, corps and divisions and their counterparts in the air forces.

c. A continuous study be made by the Fiscal Director, Army Service Forces, to determine the adequacy of the above recommended units and of organic finance and fiscal sections with a view to determining size, organization, and capabilities commensurate with changes in the arms and services.

ORGANIZATION OF THE OFFICE OF  
CHIEF FINANCE OFFICER, S.T.O.



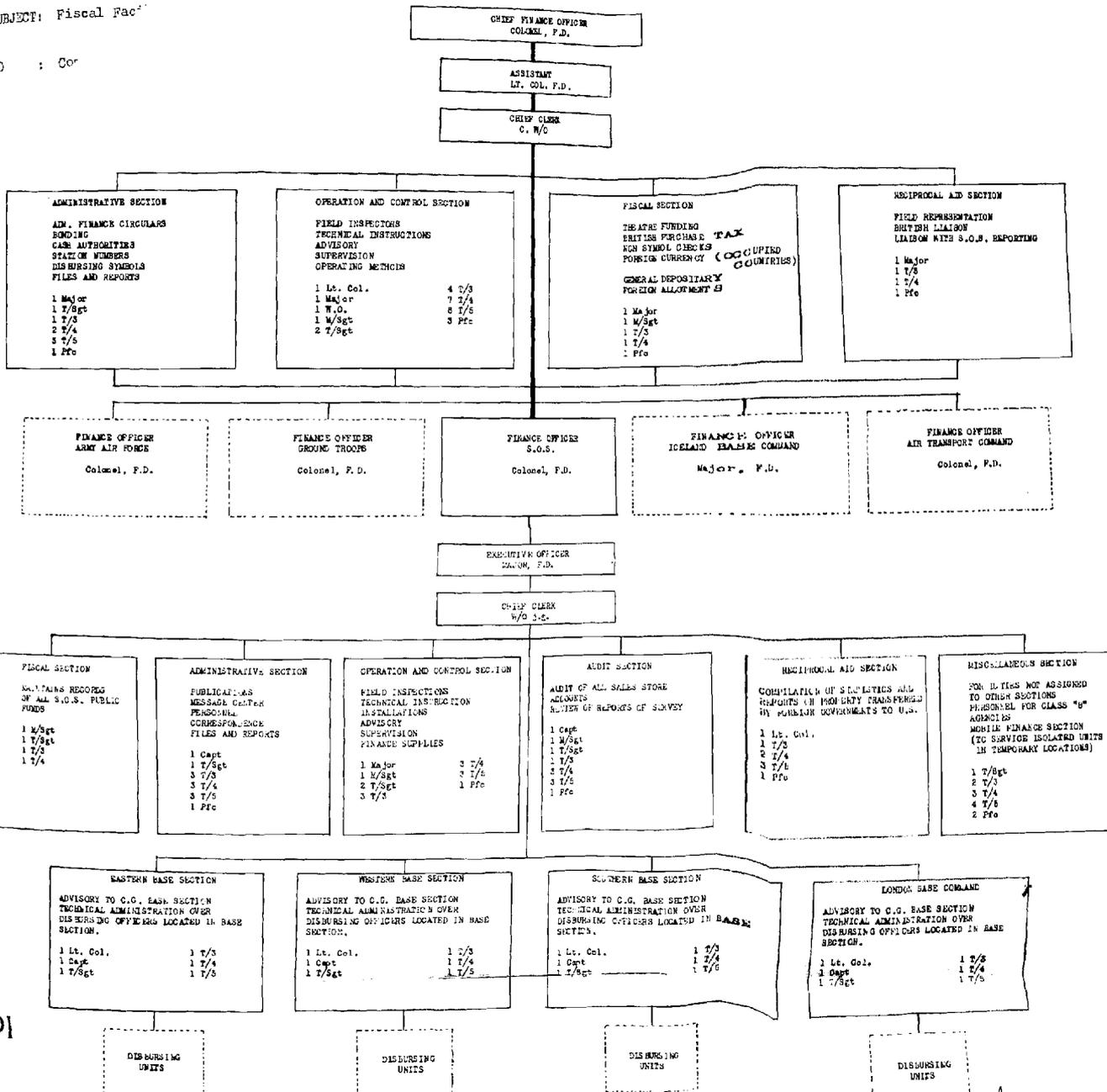
NOTE: Planning for personnel, equipment, etc. necessary to establish required new offices is the responsibility of the sections assigned such subjects. Operations sections will maintain liaison with General Staff sections for information and strength and location of SOG.

## ORGANIZATIONAL AND FUNCTIONAL CHART OFFICE OF THE CHIEF FINANCE OFFICER, BUCKINGHAM PALACE

APRIL 2, 1948

AG 130  
(28 Jul 43)OB-F-WDBUDSUBJECT: Fiscal Fac<sup>1</sup>

TO : Com



AG 130  
(28 Jul 43)OB-F-WDBUD

30 July 1943

SUBJECT: Fiscal Facilities.

TO : Commanding General

U.S. Army Forces in the European Theater of Operations

1. The expansion of the military establishment in overseas theaters, has made it highly desirable that a central agency be established in each theater for the examination of the accounts of individual disbursing officers and for the consolidation of fiscal information for transmission to the War Department. It is desired, accordingly, that prompt steps be taken to establish in your theater a central fiscal office into which will flow the accounts of all disbursing officers of your theater. This central fiscal office should then:

a. Audit disbursements to assure accuracy, sufficiency of supporting document, and legality and propriety of payment in accordance with applicable laws, regulations and existing policies; and secure local adjustments and correction of errors;

b. Prepare summary accounts of receipts and expenditures of disbursing officers in the theater by appropriation and purpose symbols, in accordance with the published fiscal code, and consolidate such summary accounts monthly for the theater and report resulting summaries to the War Department;

c. Furnish promptly such other information on obligations and expenditures as may be called for from time to time by the War Department;

d. Operate as a central agency for the establishment of bank credits for all disbursing officers in the theater;

e. Store all audited accounts pending further instructions.

2. It is expected that local civilian and military personnel available to you will be used as far as practicable to staff this central fiscal office. Such additional personnel as you may require from the United States will be furnished by the War Department upon requisition.

3. In addition to the personnel qualified to perform the duties indicated above, the War Department is now training at a special school, commissioned fiscal personnel who are competent;

a. To advise on matters of rates of exchange, types and amounts of currency to be used, and similar fiscal matters pertaining to military operations;

b. To deal with fiscal problems and audit procedures of post exchange and other quasi-military funds, particularly as affected by local conditions;

c. To explore local economic problems and recommend to the Commanding General of the theater measures to reduce the unfavorable impact of Army expenditures on local financial structures;

d. To study the fiscal problems of the individual soldier with a view to making available advice and service on soldiers' deposits, simplified allotments, transmission of funds home, the purchase of bonds and other similar subjects;

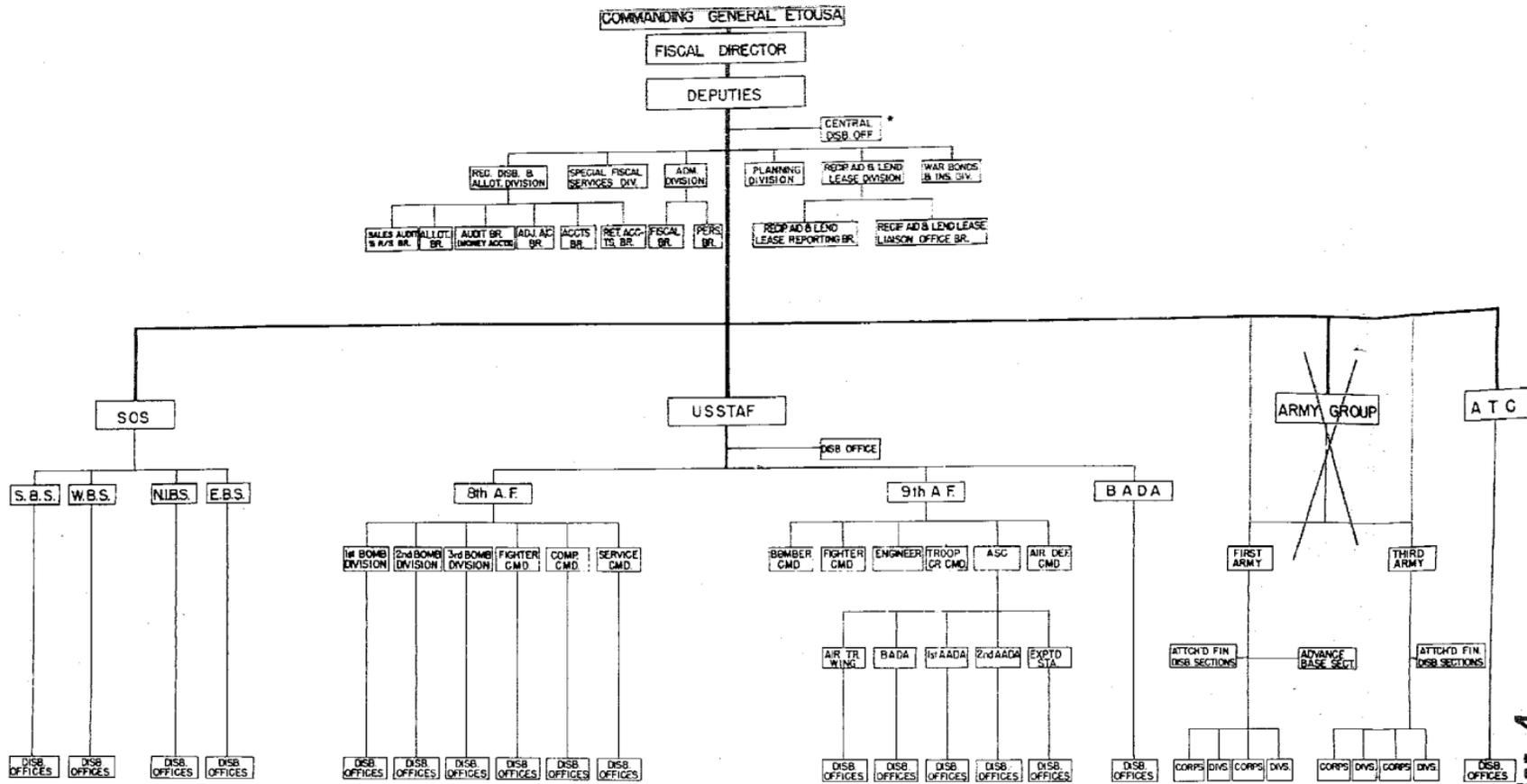
e. To make fiscal plans for new operations;

f. To perform such other fiscal functions incident to military operations within the theater or area as may be prescribed by the Commanding General.

4. This specially trained personnel will be available on requisition either to supplement your present personnel or to replace any officers of your command not qualified to perform the duties outlined above.

BY ORDER OF THE SECRETARY OF WAR:

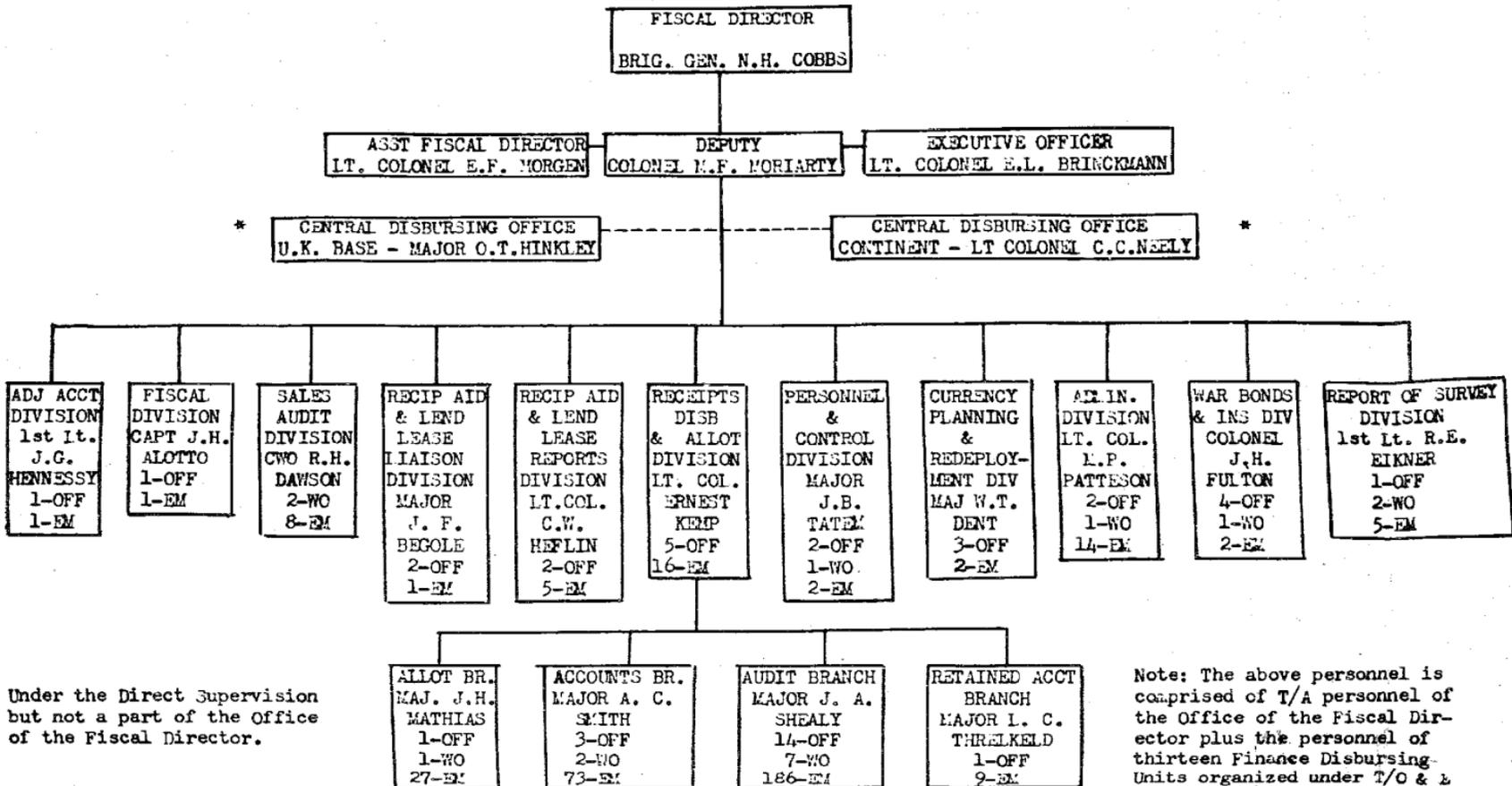
W. E. WALKER  
Adjutant General



\* Under the direct supervision but not a part of the Office of the Fiscal Director.

FINANCE ORGANIZATIONAL CHART ETOUSA

pendix 4

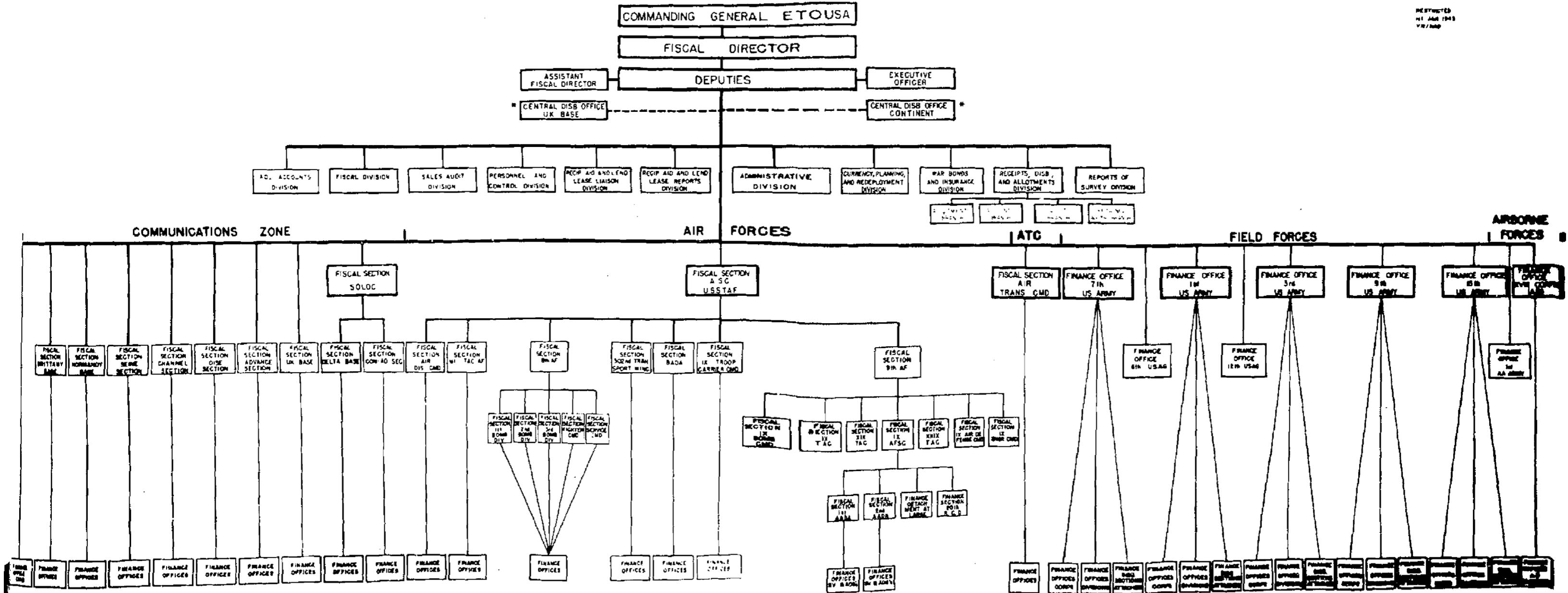


Under the Direct Supervision but not a part of the Office of the Fiscal Director.

Note: The above personnel is comprised of T/A personnel of the Office of the Fiscal Director plus the personnel of thirteen Finance Disbursing Units organized under T/O & 14-500, which were requisitioned especially for manning the RD & A Division of this Office.

# ORGANIZATIONAL CHART, OFFICE OF THE FISCAL DIRECTOR, HEADQUARTERS ETOUSA

RESTRICTED  
01 JUN 1943  
VS/300



UNDER THE DIRECT SUPERVISION BUT NOT A PART OF THE OFFICE OF THE FISCAL DIRECTOR

HEADQUARTERS  
EUROPEAN THEATER OF OPERATIONS  
UNITED STATES ARMY

STANDING OPERATING PROCEDURE

NO 11 - FISCAL PROCEDURES

Short Title: ETO-SOP No 11 - Finance

VOLUME I

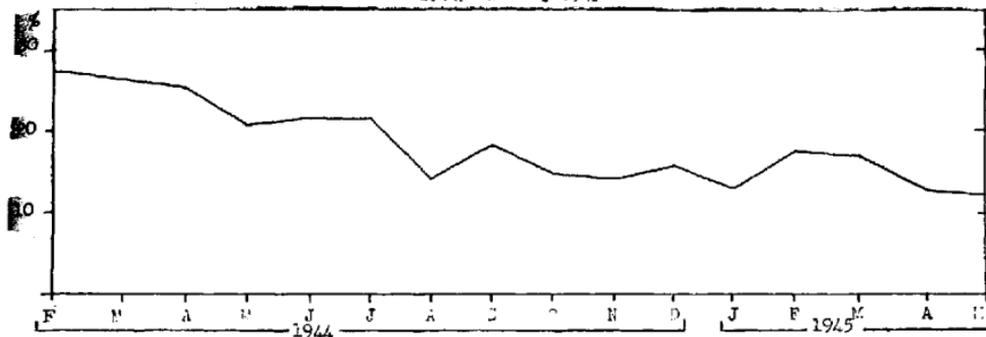
TECHNICAL FINANCE OPERATING PROCEDURE

20 APR 1944

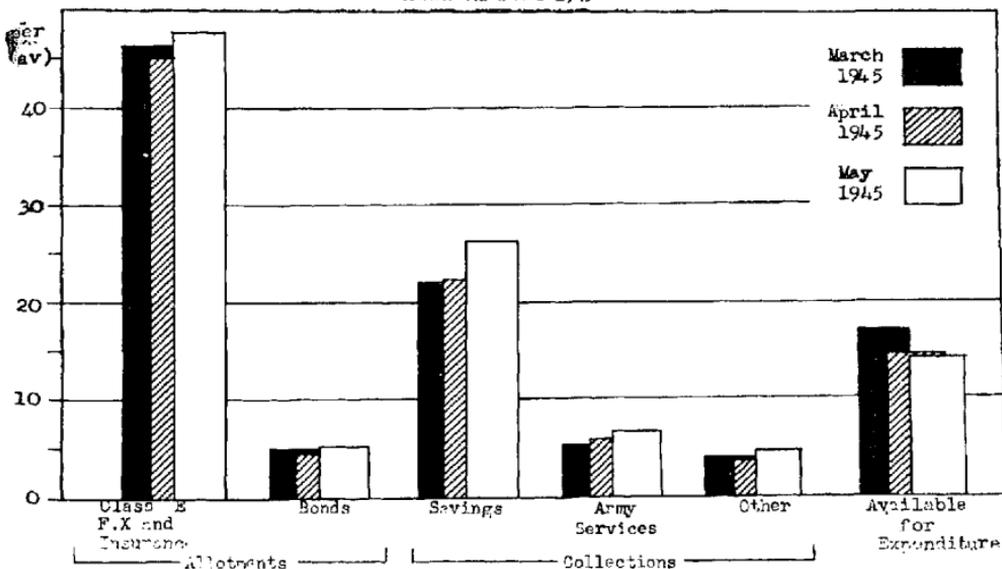
# FISCAL

## DISPOSITION OF PAY BY US ARMY PERSONNEL - ETO

Percent of Total Payroll Available for Expenditure in ETO  
Feb 1944, thru May 1945



## DISPOSITION OF PAYROLL AVERAGE AMOUNT PER MAN MARCH thru MAY 1945

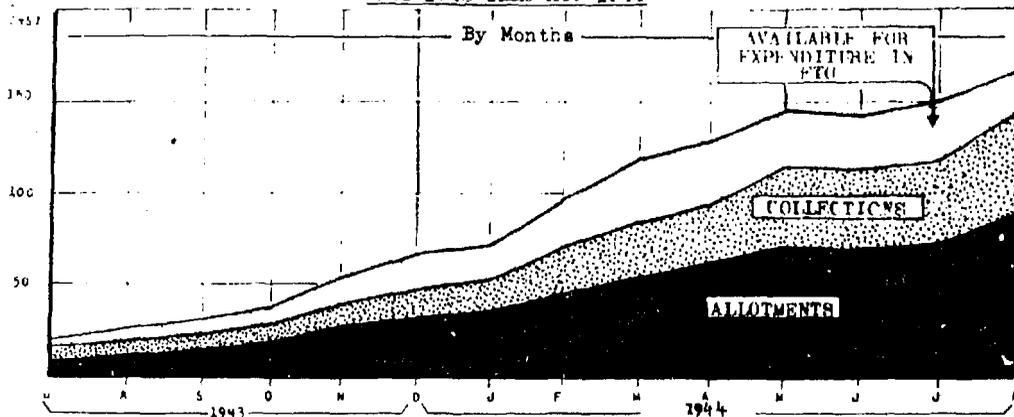


## DISPOSITION OF PAYROLL - TOTAL AMOUNT AND AMOUNT PER MAN

	Amount			Amount per Man		
	Mar. \$	Apr. \$	May. \$	Mar. \$	Apr. \$	May. \$
<b>TOTAL</b>	300,247	296,677	320,614	100.10	96.81	104.73
<b>ALLOTMENTS</b>						
Class "E", "F" & "X" & Insurance	138,486	137,930	146,421	46.18	45.01	47.83
Bonds	15,059	15,023	16,195	5.02	4.90	5.29
<b>COLLECTIONS</b>						
Savings	67,615	70,308	80,362	22.54	22.94	26.25
Army Services	16,705	18,159	20,201	5.57	5.93	6.60
Other	11,491	11,519	14,389	3.83	3.76	4.70
<b>AVAILABLE FOR EXPENDITURE</b>	50,888	43,736	43,044	16.96	14.27	14.06

30 JUNE 1945

DISPOSITION OF PAY BY US ARMY PERSONNEL ETO  
 JUL 1943 THRU AUG 1944



Month	Allotments		Collections		Available for Expenditure in ETO		Total Payroll	
	Amount	%	Amount	%	Amount	%	Amount	%
Sep	\$ 34,901	45	\$ 18,726	24	\$ 24,200	31	\$ 77,827	100
Dec	75,129	47	38,223	24	45,275	29	158,627	100
Mar	140,640	49	69,399	24	78,472	27	288,511	100
Jun	207,697	49	117,435	28	95,975	23	421,107	100
Aug	72,965	48	45,337	30	32,902	22	151,204	100
Aug	87,788	53	55,040	33	22,947	14	165,775	100
Total	\$619,120	49	\$344,160	27	\$299,771	24	\$1,263,051	100

AMOUNT PER MAN PER MONTH - JUL 1943 THRU AUG 1944

Category	Amount	Amount Per Man Per Month			
		Thou	10	10	30
Deposits	\$ 555,067	\$38.99			
Fees "E", "F" & "X" & Insurance	64,053	4.49			
Deposits:					
Savings*	230,427	16.18			
Services**	90,913	6.39			
Travel	22,820	1.60			
Available for Expenditure in ETO	299,771	21.06			
Total	\$1,263,051	\$88.71			

FIGURES INCLUDE:

DEPOSITS - \$16,232,215; TRF OF FUNDS, \$205,792,818; CASH PURCHASE OF BONDS, \$8,402,469.  
 SERVICES - PA, \$48,071,196; SALES STORES, \$10,977,834; O'S RATIONS, \$31,864,251  
 - RED CROSS, \$23,872,069; STAMPS, \$3,543,609; STARS & STRIPES, \$1,404,106

ANALYSIS AND DISPOSITION OF MILITARY PAY

<u>Date</u>	<u>Soldier's Deposits</u>	<u>PTA</u>	<u>War Bonds (Cash)</u>	<u>War Bonds (Foreign Banks)</u>	<u>Money Orders</u>	<u>Per Cent of Pay Retained</u>
<u>1943</u>						
May	\$253,515.00	\$94,617.00	\$181,821.00			41.4
June	165,110.32	485,236.76	182,221.25		\$721,158.80	47.2
July	208,604.13	1,469,729.30	245,680.25		1,171,730.06	57.73
August	236,603.29	2,090,776.27	301,387.25		1,363,015.05	40.39
September	351,288.37	2,594,656.35	245,283.50		2,073,392.98	39.68
October	355,337.65	3,213,083.90	216,351.50		1,635,525.17	41.49
November	440,775.62	5,256,388.55	292,379.15		3,217,828.22	38.95
December	553,178.06	6,535,439.96	221,965.25		3,737,590.70	39.61
<u>1944</u>						
January	719,421.73	6,985,076.05	221,531.25	\$7,181.25	4,252,287.33	39.29
February	940,647.22	5,182,563.56	738,000.00	10,666.00	5,391,136.04	39.03
March	1,147,245.99	6,525,124.77	632,793.75	16,671.75	7,748,632.20	38.63
April	1,970,650.19	7,071,418.44	629,278.75	7,281.75	10,268,262.57	38.37
May	2,300,186.10	11,745,941.85	873,987.75	9,075.00	14,758,549.84	37.96
June	2,142,226.97	11,226,773.27	797,619.50	7,458.25	14,743,708.16	36.55
July	2,208,523.73	12,470,513.68	748,982.75	7,790.00	18,098,771.18	21.08
August	2,657,525.61	13,708,280.95	3,065,596.00	22,071.75	21,700,811.61	13.31
September	2,448,623.11	9,917,255.29	495,432.25	22,000.00	22,244,087.20	18.34
October	3,088,108.85	11,228,577.29	725,012.19	18,000.00	29,238,990.84	15.16
November	3,719,839.04	12,026,638.97	732,251.52	18,000.00	39,448,613.68	13.79
December	4,138,795.61	11,267,477.58	2,580,722.53	5,644.20	37,602,932.23	15.66
<u>1945</u>						
January	5,089,079.40	15,406,865.53	1,151,119.67	6,210.00	36,820,623.76	12.76
February	5,366,072.75	14,181,639.54	989,942.25	3,652.50	30,271,739.27	18.44
March	6,092,749.49	16,597,390.84	1,170,722.42	None	36,246,893.38	16.95
April	6,608,593.71	17,570,253.73	730,847.55	None	38,665,030.96	14.74
May	7,544,293.63	20,472,509.18	1,353,576.97	None	43,102,012.37	13.43

OUTGOING MESSAGE

HQ SOS  
ETO USA

No. WL-13

Date May 1, 1943

Staff Section C. F. O.      Signature in full N. H. C.

Approved C. W. Getty, 1st Lt., IGD, Ass't AG

ROUTINE

TO AGEMR

PARAPHRASE (RM)

FOR:        SPTD

FROM:       COBBS

SIGNED:     LEE

CITE:       SOSFO

REFERENCE:    Your Radio R8448

1. This office suggests that cancelled checks on local depositories be held intact here until the conclusion of the war and that you seriously try to persuade the General Accounting Office not to require these checks. We suggest further that the General Accounting office set up an office in this Theater if an agreement cannot be effected in accordance with the suggestion above.

2.        \*                \*                \*                \*                \*                \*

3.        \*                \*                \*                \*                \*                \*

4.        \*                \*                \*                \*                \*                \*

5.        \*                \*                \*                \*                \*                \*

6. With the purpose of seeing to what extent it is deemed necessary to eliminate geographical locations on accounts which are sent to the US from this Theater it is suggested by this office that the records of any officer in this theater be examined to see what they contain.

SUBJECT: Receipts, Disbursements & Allotments Division, Office of the Fiscal Director, ETOUSA.

TO : Chiefs, Receipts, Disbursements & Allotments Division, Office of the Fiscal Director, APO 871, U. S. Army.

1. There is hereby established at APO 871 a Receipts, Disbursements and Allotments Division, of the Office of the Fiscal Director, ETOUSA.

2. The Chief in this office at APO 871 will be responsible for the administration, supply, assignment of all personnel within and operation of the Accounts, Audit, Allotments, Reports of Survey and Sales Audit and Adjustment Account Branches of the Office of the Fiscal Director at APO 871.

3. This office is established so as to provide a centrally located office through which all business for the five divisions may be channeled. The officer in charge has full authority to act in the name of the Fiscal Director in the ordinary course of business. Direct communication between the heads of the five branches and the field is authorized for technical operations only. Any other communications will be through this newly established office.

4. Lt. Col. E. Kemp, FD, is announced as the officer in charge of this newly established office and will be known as Chief - Receipts, Disbursements and Allotments Division.

N. H. COBBS,  
Colonel, FD,  
Fiscal Director

PERSONNEL ASSIGNED TO THE RECEIPTS, DISBURSEMENTS AND ALLOTMENTS DIVISION

<u>Date</u>	<u>Admin- istrative Branch</u>	<u>Accounts Branch</u>	<u>Audit Branch</u>	<u>Allotments Branch</u>	<u>Retained Records Branch</u>	<u>Adjust. Sales Accts. Audit Branch</u>	<u>Report of Survey Branch</u>	<u>Reciprocal Aid Branch</u>	
Mar 31, 1944	3-0-4 (1)	7-4-85 (5)	15-4-127	2-0-35 (7)		1-0-1	0-2-8 (6)	1-0-2	1-0-5 (17)
Apr 30, 1944	2-0-2 (1)	3-2-54 (5)	11-3-120	2-0-43 (7)		1-0-2	0-2-8 (6)	1-0-1	1-0-5 (18)
May 31, 1944	2-0-2 (1)	2-1-50 (5)	1-0-44	1-0-40 (6)		1-0-2	0-2-8 (7)	1-0-1	1-0-5 (18)
Jun 30, 1944	2-0-4 (1)	2-1-51 (4)	2-1-89	1-0-49 (5)		1-0-2	0-2-8 (11)	1-0-1	2-0-5 (14)
Jul 31, 1944	2-0-4 (1)	2-2-51 (3)	3-1-83	1-0-48 (5)		1-0-2	0-2-7 (11)	1-0-1	2-0-5 (15)
Aug 31, 1944	2-1-5 (1)	2-2-57 (4)	11-5-168	2-0-40 (3)		1-0-2	0-2-6 (9)	1-0-5	Dropped
Sep 30, 1944	2-0-5 (1)	2-2-57 (3)	7-1-170	1-0-31 (3)	2-0-14 (1)	1-0-2	Dropped	Dropped	15 Aug 44
Nov 15, 1944	4-0-15	2-1-67	4-1-155	1-0-25	1-0-5	Dropped	16 Sep 44	16 Sep 44	
Nov 30, 1944	4-0-16	1-1-69	5-1-154	1-0-26	1-0-4	26 Oct 44			
Dec 31, 1944	4-0-16	3-2-75	10-4-165	1-1-40	1-0-9				
Jan 31, 1945	4-0-16	3-2-75	6-2-166	1-1-38	1-0-10				
Feb 28, 1945	4-0-16	2-0-88	2-0-140	0-1-34	1-0-10				
Mar 31, 1945	4-0-15	2-3-86	4-2-124	1-0-34	1-0-11				
Apr 30, 1945	4-0-12	2-3-80	4-2-108	1-0-30	1-0-8				
May 31, 1945	4-0-13	2-1-80	7-6-77	0-0-27	1-0-4				

NOTE: Figures represent Officers, Warrant Officers and Enlisted men. Figures in parantheses represent civilians.

ALLOTMENTS BRANCH

	<u>Period</u>	<u>Total cases Processed</u>	<u>Percentage Rejected Average</u>
1944	Feb. 14 to 29 Incl.	80,605	No record
	Mar	138,733	"
	Apr.	143,265	"
	May	146,286	"
	June	123,254	"
	July	160,307	"
	Aug.	136,892	"
	Sept.	136,085	2.3%
	Oct.	117,863	2.2%
	Nov	133,091	2.5%
	Dec.	117,370	17.2% *
1945	Jan.	179,235	20.8% *
	Feb.	216,717	No record
	Mar.	186,109	"
	Apr.	141,683	"
	May	136,430	"
	June	138,653	"
	July	45,018	"

\* Increase due to approximately .50% of Class E's being returned to field (AR 35-5520 30 Sep 44), Change of procedure for substitute allotments.

DISBURSEMENTS IN THE EUROPEAN THEATERAccounting Period 1 November 1943 to 25 May 1945

<u>Expenditures by Countries</u>	<u>Amount</u>	<u>Per Cent</u>
Belgium	102,892,583.99	5.9575
France	517,505,361.66	29.9630
Germany	119,482,407.67	6.9180
Hungary	4,405.83	.0002
Ireland	46,799.38	.0027
Italy	1,244.44	.0001
Luxembourg	22,033,226.43	1.2757
Netherlands	21,216,026.25	1.2284
United Kingdom	942,915,752.83	54.5930
Russia	754,964.73	.0437
Monaco	37,456.59	.0021
United States	72.04	
U.S. Transports	268,707.80	.0156
	<u>1,727,159,009.64</u>	<u>100.0000</u>

Accounting Period 1 November 1943 to 25 May 1945

<u>Total Expenditures by Appropriations</u>	<u>Amount</u>	<u>Per Cent</u>
Contingencies of the Army	824,869.79	.0478
Contingent Fund Chief of Staff	1,467,618.67	.0850
Finance Service, Army	1,620,085,406.09	93.8009
Supplies and Transportation	28,078,955.43	1.6258
Signal Service Army	379,089.77	.0219
Air Corps Army	6,178,456.05	.3577
Medical and Hospital Dept.	429,805.04	.0249
Engineer Service Army	9,851,187.38	.5704
Ordnance Service Army	1,079,846.67	.0625
Chemical Warfare Service	6,735.79	.0004
All Others	58,777,038.96	3.4027
	<u>1,727,159,009.64</u>	<u>100.0000</u>

AUDIT AND RETAINED RECORDS BRANCHES

<u>Month of Account</u>	<u>No. of Disb. Officers</u>	<u>Total Vouchers</u>	<u>Date Original Vouchers Sent to Army Regional Accounting Office</u>	<u>Date Duplicate Vouchers Sent to Central Retained Accounting Office</u>
Oct 43	9	13,326	29 Jan 44	3 Feb 44
Nov 43	66	Unknown	24 Feb 44	22 Oct 44
Dec 43	91	97,033	30 Mar 44	22 Oct 44
Jan 44	109	111,980	27 Apr 44	22 Oct 44
Feb 44	127	127,195	8 Jun 44	22 Oct 44
Mar 44	148	148,701	15 Jul 44	22 Oct 44
Apr 44	159	162,007	10 Aug 44	22 Oct 44
May 44	184	192,760	8 Sep 44	22 Oct 44
Jun 44	180	191,744	18 Sep 44	22 Oct 44
Jul 44	195	202,957	20 Sep 44	22 Oct 44
Aug 44	213	199,671	6 Oct 44	10 Mar 45
Sep 44	227	225,856	21 Oct 44	22 Jun 45
Oct 44	237	240,151	3 Jan 45	19 Jul 45
Nov 44	262	276,610	30 Jan 45	19 Jul 45
Dec 44	271	286,483	3 Mar 45	21 Aug 45
Jan 45	284	287,472	5 Apr 45	21 Aug 45
Feb 45	296	206,670	19 May 45	15 Sep 45
Mar 45	302	331,552	2 Jun 45	On hand
Apr 45	309	314,469	21 Jul 45	On hand
May 45	336	326,209	29 Aug 45	On hand

HEADQUARTERS ARMY SERVICE FORCES  
OFFICE OF THE FISCAL DIRECTOR  
WASHINGTON 25, D. C.

SPF66

3 April 1944

SUBJECT: General Depository

TO : Fiscal Director, Hqs. European Theater of Operations  
APO 887, c/o Postmaster, New York, N. Y.

1. The subject of reestablishment of American banking institutions in France and Belgium in the wake of invasion by Allied forces is now receiving consideration by the Treasury Department. Representations were made by this office emphasizing the valuable assistance which has been accorded you by the Guaranty Trust Company of New York, London Branch, and pointing out the need for American banking contact once the invasion phase has been completed.

2. The Treasury Department has informed me that, until the Supreme Allied Commander has determined the time is proper and propitious for the reestablishment of American banking facilities within these areas, they cannot proceed with consideration of the matter. At that time, an overall study will be effected ascertain foreign banking requirements and the necessary licensing as will pertain to American participation. Consequently, the Treasury is not prepared to seek the views of the American banks at this time.

3. Your funding requirements, during the actual invasion stages and until such time as areas not actually under military operation are returned to sovereign control of Governments in Exile, will be met by the Financial Division of the Civil Affairs Administration through direct transfer of currency. When national central banks are reestablished, you will, undoubtedly, employ their services until such time as a return of American banking institutions is authorized.

4. I appreciate very much the interest you have shown in calling my attention to this matter at this time in order that clear forward planning may be assured. In view of the valuable services which the Guaranty Trust Company, through Mr. Goldoy, has rendered your organization, I regret exceedingly that your desire with respect to his continued availability during cross-channel operations cannot receive real consideration at this time.

/s/t/ H. H. CREER,  
Major General, G.S.C.,  
Fiscal Director.

HEADQUARTERS  
THEATER SERVICE FORCES  
EUROPEAN THEATER  
OFFICE OF THE FISCAL DIRECTOR

(Main) - APO 757

8 November 1945

Statement by the Theater Fiscal Director

1. From the beginning of my contacts with the Chief of the Currency Section for France, it was my understanding that the currency section would be responsible for "funding" of disbursing officers, which would include establishing branches of the Currency Section at a number of points, so dispersed as to be reasonably accessible to the disbursing officers. The Chief of the Currency Section agreed to this interpretation of the directives which had been published, and stated that he was prepared to and would carry out the operations on that basis.
2. At a conference in March 1944, the Chief of the Currency Section reversed his former position, and stated that his directives required him only to supply currency in bulk at one location, and further that he was not prepared to make distribution of currency to individual disbursing officers.
3. This stand forced me to use Finance Disbursing Sections originally intended for finance service to troops to perform the operation of funding. I had been prevented from including in my estimates and requisitions any personnel for any phase of currency supply, because the existing directives placed this responsibility on the Currency Section. The result was a shortage of Finance Disbursing Sections available for direct service to troops.
4. As a further indication that the Currency Section did not make adequate plans to meet its responsibility for supply of currency, its record of accomplishments, the following statements of facts are cited:
  - a. After the March 1944 conference referred to above, the Chief of Currency Section insisted that we secure in England and carry to the continent only enough French currency to supply our needs for thirty days and that he would thereafter furnish us with bulk supplies of currency on the continent. I would not agree to reducing my estimates of French currency to less than a sixty day supply and obtained it. The first bulk supply did not arrive in Cherbourg until sixty days after D-Day. Its storage in Cherbourg made it so inconvenient to fund the fast-moving Armies over such great distances involving motor transportation that it was not possible to use the supply in Cherbourg to fund any office except those in the immediate vicinity. Sometime in September a bank account was opened with the Bank of France and large denomination notes were deposited with the Cherbourg branch for credit to that account. After that time, he supplied us with currency by giving us checks drawn on the Bank of France from which we secured the currency. The small denomination notes were taken over by my funding officers when it was learned that the Currency Section intended to deposit those notes in its Bank of France account. This was done to enable finance officers to be supplied adequately with small denomination notes as the Bank of France issues were limited. The Currency Section did not desire to retain storage facilities for these notes for the purpose of funding finance officers.
  - b. The Belgian Currency Section moved to Brussels on 24 September 1944, and after that supplied Belgian currency to finance officers. The first bulk amounts were drawn from the Bank of England on 1 September 1944 and shipped to France by my office. After establishment in Brussels it functioned excellently.
  - c. The Netherlands Currency Section opened in Brussels on 24 September 1944, but the entire supply of currency was turned over to the ~~Army~~ Army Group and on our first demand for currency, finance officers were delayed several days because it was necessary to go to elements of ~~Army~~ Army Group to obtain surplus in their possession to be turned over to us.

d. The German Currency Section moved to Paris from London 16 September 1944 and began to supply Allied Military marks to my funding officers after that time. The first bulk amounts were drawn from the Bank of England on 1 September 1944 and shipped to Paris by my office. The German Currency Section remained in Paris until 20 March 1945 and then moved to Verdun where it remained until 18 May 1945, when it moved to Frankfurt. While located in Paris, it was necessary for all shipments of Allied Military marks to be made by finance personnel to funding officers with the Armies, ADSEC and COMAD.

e. The first shipment of Austrian currency was made from supplies obtained from the Bank of England in April 1945. The Austrian Currency Section was not functioning until after VE-Day.

5. I would have been able to meet my overall responsibilities much more effectively and easily if I had been given the responsibility for currency supply, as it would have enabled me to obtain the necessary personnel for currency supply in all its phases. I am very much of the opinion that this should have been my responsibility rather than that of Civil Affairs.

/s/ N. H. Cobbs  
/t/ N. H. COBBS  
Brigadier General, USA  
Fiscal Director

FISCAL

PAYMENT OF ENLISTED PERSONNEL

MAY 1945

SECTIONS REPORTED	TOTAL NUMBER ON PAYROLLS	PAID IN FULL		PARTIAL PAYMENTS		UNPAID	
		NO.	% OF TOTAL	NO.	% OF TOTAL	NO.	% OF TOTAL.
TOTAL	310,113	278,409	89.78	12,372	3.99	19,322	6.23
NORMANDY	58,792	50,834	86.48	4,131	7.02	3,827	6.50
DELTA	49,392	43,795	88.67	1,834	3.71	3,763	7.62
ADSEC	61,553	55,386	89.98	1,679	2.72	4,488	7.30
CHANNEL	33,004	30,870	93.55	922	2.78	1,212	3.67
SEINE	26,200	23,605	90.10	1,314	5.01	1,281	4.89
CONAD	21,557	20,081	93.15	377	1.75	1,099	5.10
OISE	51,714	47,625	92.10	1,068	2.06	3,021	5.84
ASS. AREA	7,901	6,213	78.63	1,047	13.26	641	8.11
U.K.		NOT REPORTED					

ANALYSIS OF UNPAID TROOPS

MAY 1945

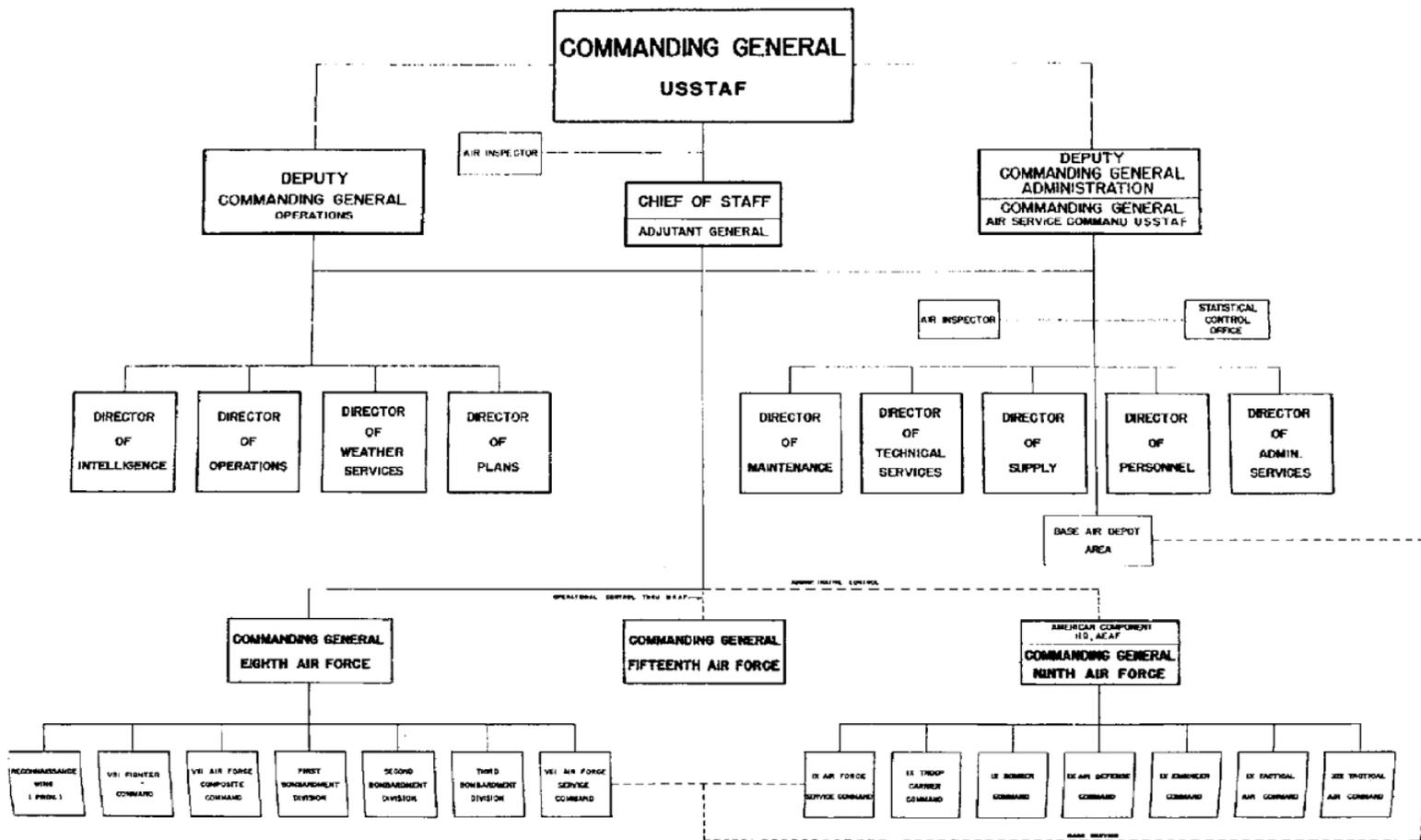
SECTIONS REPORTED	NUMBER UNPAID	Individual Transferred after payroll was submitted		Misconduct of payees (courts martial, etc)		Erroneous Red-lines by Finance Office		Improper statement of accts by personnel Officer		Other	
		No.	% of Total	No.	% of Total	No.	% of Total	No.	% of Total	No.	% of Total
TOTAL	19,332	4,971	25.71	3,075	15.91	496	2.56	437	2.26	10,353	53.56
NORMANDY	3,827	1,104	28.85	772	20.17	49	1.28	45	1.18	1,857	48.52
DELTA	3,763	1,204	32.00	680	18.07	81	2.15	30	.79	1,768	46.99
ADSEC	4,488	1,127	25.11	508	11.32	169	3.77	57	1.27	2,627	58.53
CHANNEL	1,212	479	39.53	261	21.54	44	3.63	149	12.29	279	23.01
SEINE	1,281	283	22.09	131	10.23	49	3.82	21	1.64	797	62.22
CONAD	1,099	21	1.91	319	29.03	-	-	73	6.64	686	62.42
OISE	3,021	645	21.35	354	11.71	86	2.84	41	1.36	1,895	62.74
ASS. AREA	641	108	16.82	50	7.81	18	2.80	21	3.27	444	69.30
U.K.		NOT REPORTED									

30 JUNE 1945

CONFIDENTIAL



# ORGANIZATION OF U.S. STRATEGIC AIR FORCES IN EUROPE



ORGANIZATION AND DUTIES

FISCAL OFFICE  
ASST. CHIEF

1. Advises Commanding General on budget, fiscal, and finance administration and operations.
2. Exercises staff supervision over fiscal Officers of the immediate subordinate commands.
3. Formulates budget, fiscal and finance policies for both strategic and tactical administration and operations.
4. Coordinates banking arrangements with American and British depositories for the entire command.
5. Maintains liaison on budget, fiscal and finance matters between the USCAF and civil and military agencies in the United Kingdom and the Air Forces under the administrative control of USCAF.
6. Advises fiscal Director, SAC, The Air Finance Officer, and the Budget and Fiscal Officer, the Army Air Force, Westminster, U.K., on all pertinent budget, fiscal and finance policies relating to the administration and operations of USCAF.

DEPUTY FISCAL OFFICER  
Major and Staff

1. Performs the duties of the Fiscal Officer for and in his absence.
2. Initiates, controls, supervises and coordinates the formulation of plans on fiscal, budget and finance matters.
3. Supervises administration of Fiscal Office and prepares schedules of required projects.
4. Maintains liaison with other offices of SAC, USCAF.
5. Interprets the Application of Comptroller General Decisions and regulations of the D. P. D., AF and M. C. and disseminates necessary information to the field.

Administrative Assistant - 1st Lt. M. H. White  
1. Assists the Deputy Fiscal Officer in the performance of his assigned duties, especially technical matters.

BUDGET, FISCAL AND FINANCE  
ASST. FISCAL OFFICER

1. Coordinates all fiscal activities with fiscal Officers of subordinate commands and advises same relative to fiscal records and reports.
2. Initiates followed-up procedures to insure conformity with finance directives, and reviews current operations for the purpose of maintaining a high standard of efficiency and maximum service to troops.
3. Periodically contacts fiscal Officers of immediate subordinate commands to insure that policies, plans, and procedures formulated by this section have been established and maintained.
4. Coordinates location of financing and asset finance offices with jurisdiction of fiscal Officers of subordinate commands overseas.
5. Coordinates procurement and distribution of technical finance equipment and supplies.

1st Lt. J. B. Collier

1. Supervises preparation of budget and fiscal reports.
  2. Supervises the maintenance of budget and finance records.
  3. Administers the procuring and sub-allotting of funds.
  4. Issues audits and reviews reports of survey as required.
- 1st Lt. J. B. John  
1. Maintains budget and finance records and prepares related reports.
- 2. Procures and distributes technical finance and supplies.
- 3. Maintains office equipment records.
- 4. Alternates as understudy for 1st Lt. J. B. Collier in the performance of his assigned duties.

ADMINISTRATIVE  
Chief Clerk

1st Lt. J. B. White

1. Supervises and allocates duties to clerical staff.
2. Receives, reviews, and routes all correspondence.
3. Disseminates technical information to office personnel.
4. Secures the safekeeping of the office.
5. Maintains record of all classified correspondence and documents.

ASST. CHIEF CLERK - 1st Lt. H. H. Walker

1. Prepares copies on one of a nonconfidential nature.
2. Compiles pertinent directives, regulations and memoranda to assist in the preparation of replies to correspondence of a technical nature.
3. Provides for the reproduction of all instructions for special and general distribution to Fiscal Offices of immediate subordinate commands.
4. Maintains record of policies adopted by Fiscal Section.

FILE CLERK - 1st Lt. J. B. White

1. Maintains complete files on correspondence, regulations, circulars, memoranda, etc.
2. Cross-references all AF, M. C. Circulars, bulletins, etc.

MAIL CLERK - 1st Lt. J. B. White

1. Assists the file clerk.
2. Delivers and maintains record of outgoing correspondence.
3. Maintains follow-up file on British Transcript Statements of Account.

STENOGRAPHIC STAFF - 1st Lt. J. B. White, 1st Lt. J. B. White, 1st Lt. J. B. White, 1st Lt. J. B. White

1. Take and transcribe dictation.
2. Type all correspondence and reports.

PERSONNEL AND SPECIAL PROJECTS  
ASST. FISCAL OFFICER

1st Lt. J. B. White

1. Prepares agenda for periodic meetings of Fiscal Officers of subordinate commands.
2. Coordinates with the Air Inspector in the correction of discrepancies revealed by inspections of finance offices.
3. Prescribes and supervises finance and financial training programs and provides technical information for the instruction of personnel.
4. Plans for future movements, reorganization of finance sections under individual F/O's etc.
5. Establishes technical proficiency requirements for fiscal and finance personnel.
6. Serves as Security Officer.

1st Lt. J. B. White

1. Prepares special studies on administrative and technical finance problems, income tax, estate of missing personnel and other allied subjects.

1st Lt. J. B. White

1. Reviews recommendations for promotions of all fiscal and finance officers.
2. Coordinates assignment of all personnel.

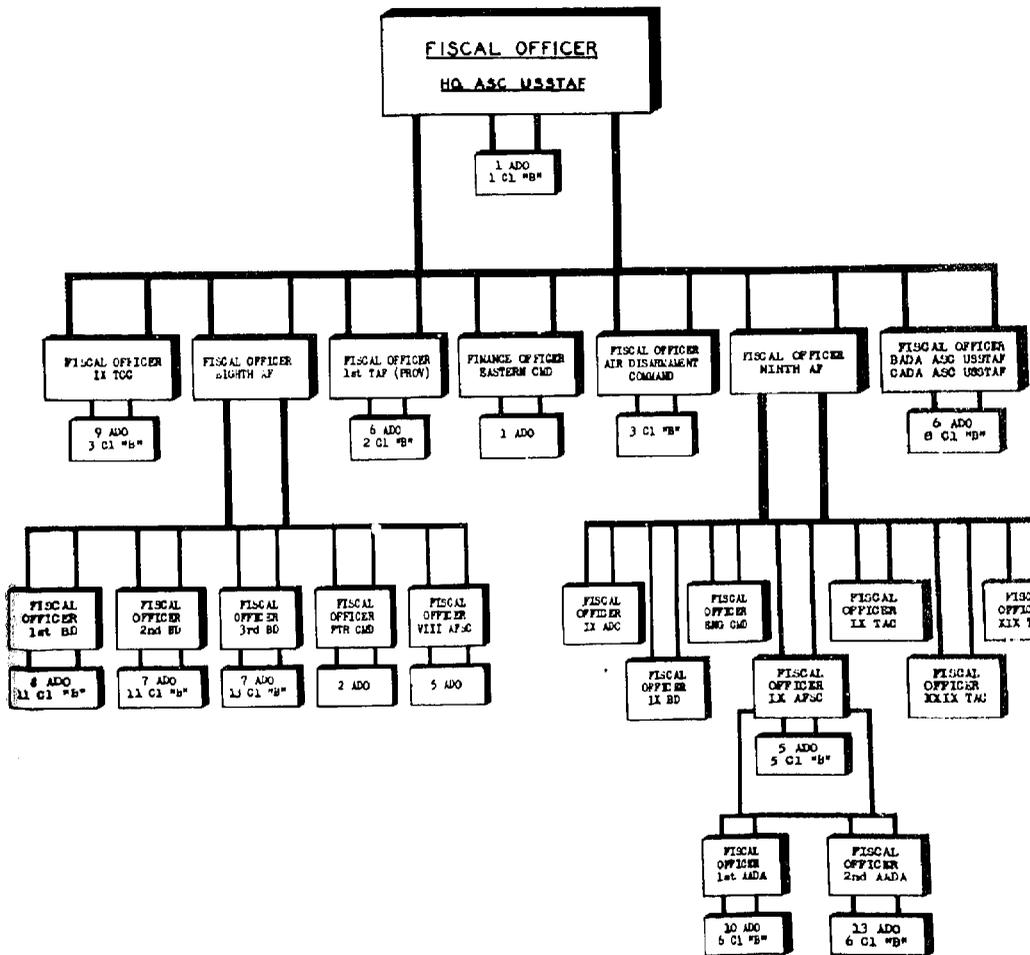
1st Lt. J. B. White

1. Compiles required statistical data and reports on finance and finance operations.
2. Maintains current data on functions and procedures of finance offices relating to allotments, war bonds, insurance, transmittal of funds, etc.
3. Alternates as understudy for 1st Lt. J. B. White in the performance of his assigned duties.
4. Acts as assistant to the branch chief for special assignments.

1st Lt. J. B. White

**FISCAL AND FINANCE ORGANIZATION  
US STRATEGIC AIR FORCES IN EUROPE  
DECEMBER 1944**

AUTHORIZATION FOR  
REPRODUCTION  
72 2011 2011 2011



AGPD 11-45/227



Table One

	Troop Strength Air Forces	Fin. Dept. Strength Off. E.H.	Air Force Troops per Fin. Enl Man	Vouchers Processed	Vouchers Processed Per Enl. Man	Total Dis- bursed	U. Dollars disbursed per enlisted man
July 1942	15,102	12 68	222	2,212	32.5	\$1,003,000	14.7
Sept 1942	45,699	15 99	455	6,309	63.7	2,937,000	29.7
Dec 1942	35,001	29 224	156	8,733	39.0	3,614,000	16.1
Mar 1943	41,710	38 238	175	10,342	43.5	4,194,000	17.6
June 1943	83,995	63 415	205	16,006	38.6	6,165,000	14.9
Sept 1943	149,378	94 596	250	31,460	52.8	11,765,000	19.7
Dec 1943	196,479	112 680	286	35,512	52.2	13,190,000	19.4

Note: Excludes Ninth Air Force Statistics

Table Two

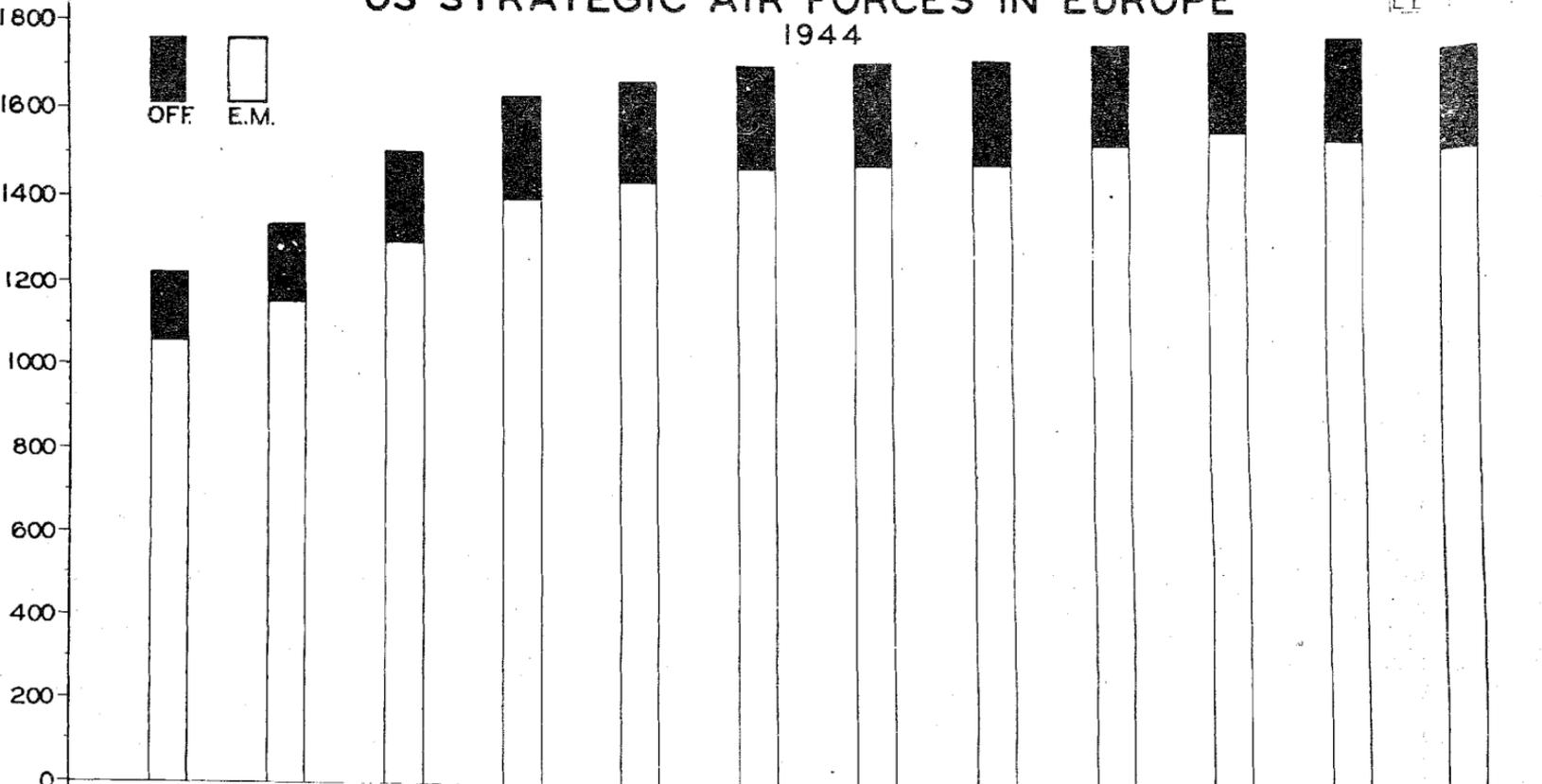
							Total USSTAF
Jan 1944	299,314	169 1053	284	52,768	43	\$19,620,842	16.1
Feb 1944	323,397	183 1157	279	54,727	46	22,049,722	18.7
Mar 1944	378,343	210 1295	292	60,916	47	24,587,555	19.1
Apr 1944	401,533	229 1396	287	66,483	47	28,024,277	18.6
May 1944	423,859	228 1432	295	80,782	56	31,012,104	21.7
Jun 1944	437,629	255 1463	299	82,502	56	30,811,329	21.1

# NUMBER OF FINANCE DEPARTMENT PERSONNEL US STRATEGIC AIR FORCES IN EUROPE

AUTHORIZATION FOR  
REPRODUCTION  
7-1-45

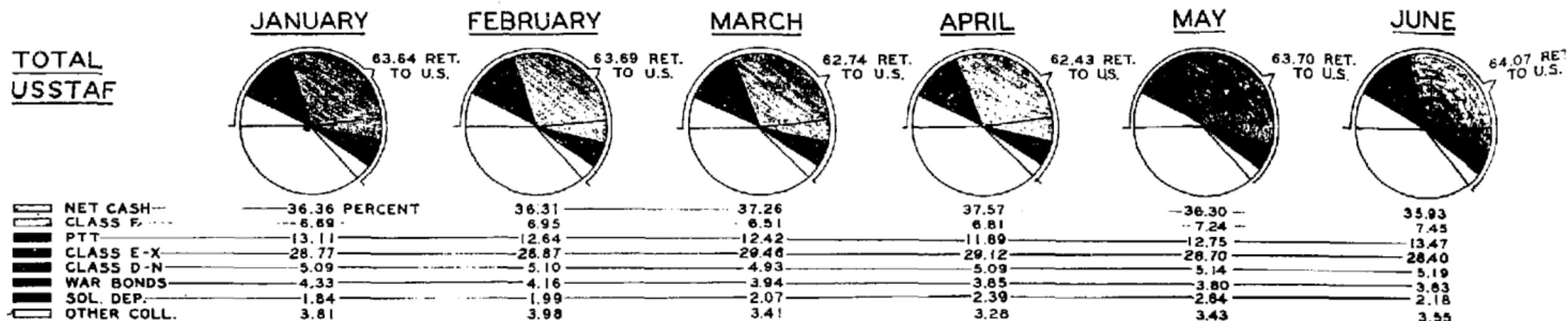
1944

OFF.  
 E.M.



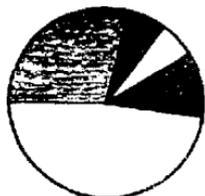
	JAN.	FEB.	MAR.	APR.	MAY	JUN.	JULY	AUG.	SEPT.	OCT.	NOV.	DEC.
OFF:	169	183	210	229	228	235	231	229	230	226	230	231
E.M.:	1053	1157	1295	1396	1432	1463	1470	1479	1512	1544	1526	1507
<b>TOTAL</b>	<b>1222</b>	<b>1340</b>	<b>1505</b>	<b>1625</b>	<b>1660</b>	<b>1698</b>	<b>1701</b>	<b>1708</b>	<b>1742</b>	<b>1770</b>	<b>1756</b>	<b>1738</b>

# DISTRIBUTION OF EARNINGS—TOTAL AIR FORCE PERSONNEL 1945—US STRATEGIC AIR FORCES IN EUROPE—1945



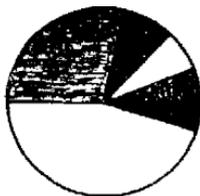
# DISTRIBUTION OF EARNINGS—TOTAL AIR FORCE PERSONNEL 1944 US STRATEGIC AIR FORCES IN EUROPE—1944

JAN



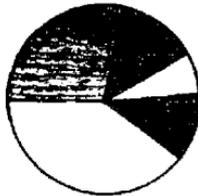
NET CASH	48.0%
CLASS E	29.0
PTT & COLL.	6.0
CL. F-X	6.0
CL. D-N	6.0
WAR BONDS	4.0
SOL. DEP.	1.0

FEB



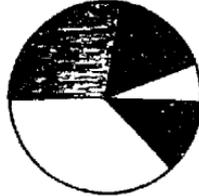
NET CASH	45.3%
CLASS E	28.3
PTT & COLL.	8.7
CL. F-X	6.9
CL. D-N	6.0
WAR BONDS	3.8
SOL. DEP.	1.0

MAR



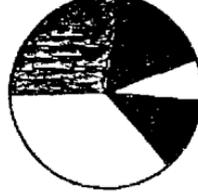
NET CASH	40.2%
CLASS E	28.6
PTT & COLL.	13.1
CL. F-X	7.1
CL. D-N	5.8
WAR BONDS	4.3
SOL. DEP.	.9

APR



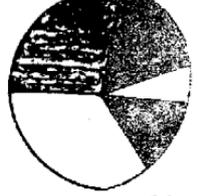
NET CASH	37.6%
CLASS E	28.2
PTT & COLL.	15.7
CL. F-X	7.1
CL. D-N	5.7
WAR BONDS	4.6
SOL. DEP.	1.1

MAY



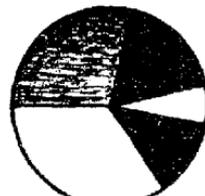
NET CASH	36.3%
CLASS E	27.9
PTT & COLL.	16.9
CL. F-X	7.2
CL. D-N	5.5
WAR BONDS	4.9
SOL. DEP.	1.3

JUN



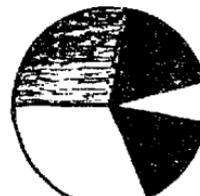
NET CASH	33.6%
CLASS E	28.7
PTT & COLL.	19.0
CL. F-X	6.8
CL. D-N	5.3
WAR BONDS	5.1
SOL. DEP.	1.5

JUL



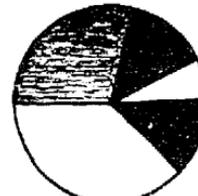
NET CASH	35.0%
CLASS E	28.3
PTT & COLL.	17.7
CL. F-X	6.8
CL. D-N	5.4

AUG



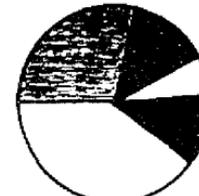
NET CASH	32.0%
CLASS E	28.4
PTT & COLL.	17.4
CL. F-X	7.0
CL. D-N	5.4

SEP



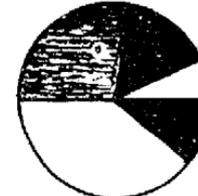
NET CASH	38.2%
CLASS E	28.8
PTT & COLL.	13.7
CL. F-X	6.6
CL. D-N	5.1

OCT



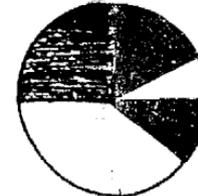
NET CASH	39.7%
CLASS E	29.0
PTT & COLL.	13.3
CL. F-X	6.6
CL. D-N	5.2

NOV



NET CASH	39.3%
CLASS E	28.6
PTT & COLL.	14.6
CL. F-X	6.7
CL. D-N	5.1

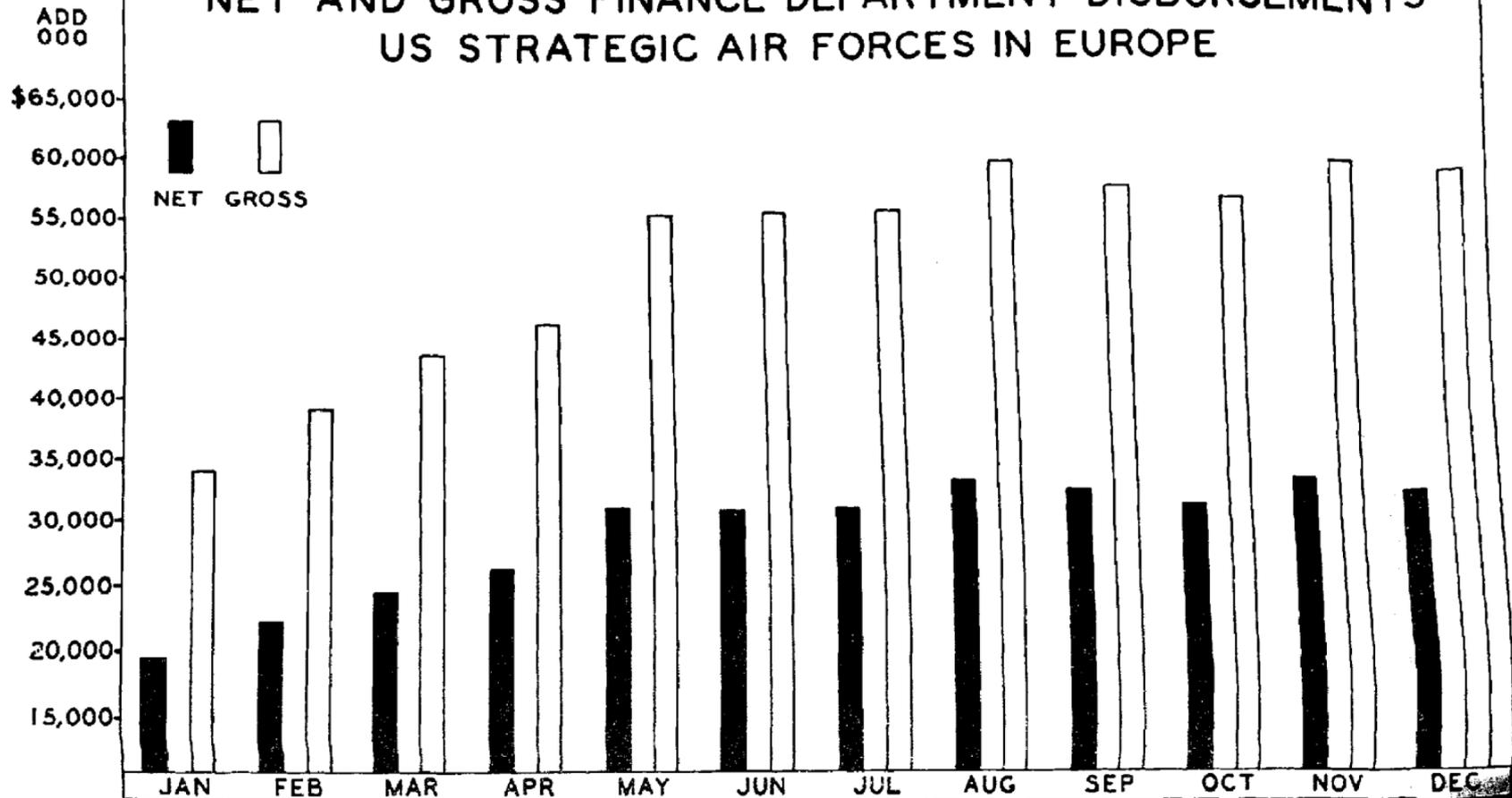
DEC

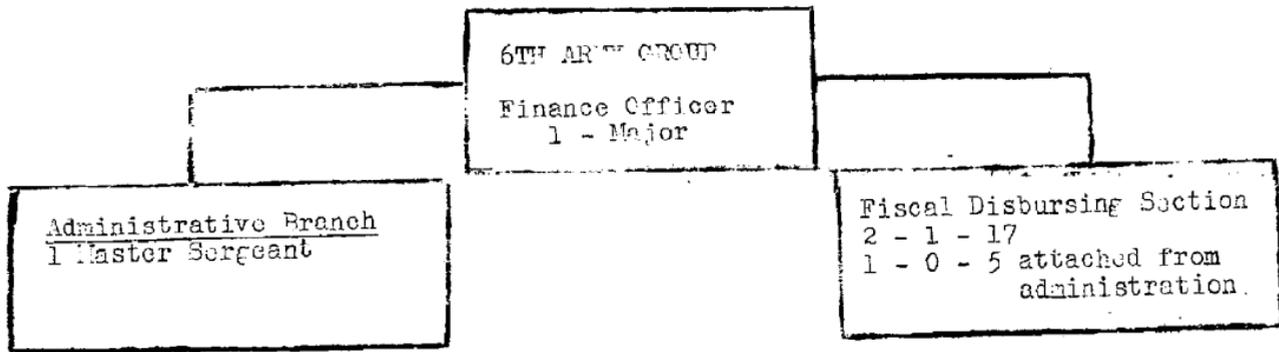
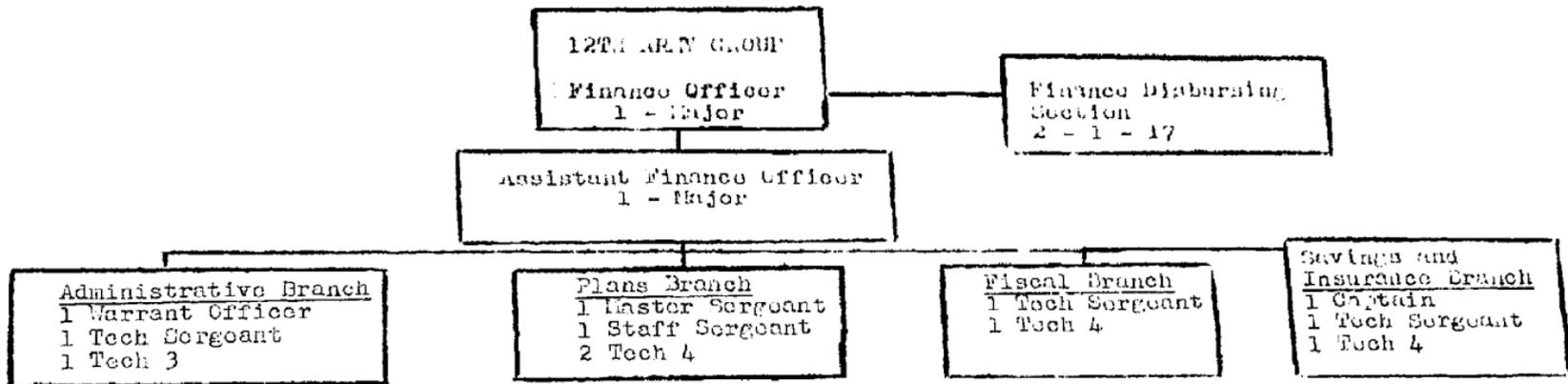


NET CASH	38.6%
CLASS E	28.8
PTT & COLL.	14.9
CL. F-X	6.7
CL. D-N	5.1

1944

1944

NET AND GROSS FINANCE DEPARTMENT DISBURSEMENTS  
US STRATEGIC AIR FORCES IN EUROPE



TROOPS ASSIGNED AND ATTACHED TWELFTH ARMY GROUP WITHOUT  
ORGANIC FINANCE SERVICE ON 1 MARCH 1945

1 Co Twelfth Army Gp Hq/Hq Co  
2 Bn AAA Gun (SM)  
1 Bn Armd Inf  
1 Bn TD (Towed)  
1 Co Engineer OS  
2 Det Engineer Utility  
1 Med Gen Disp  
1 Co Cml Decon  
1 Co Ord MAM  
1 Sqd Ord Bomb Disp  
1 Co MP (Corps)  
2 Plat MP Comp  
2 Co CM Trk & Car  
3 Hq/Hq Det Signal Ser Gp & Bn  
2 Co Signal Bn  
3 Bn Signal Ser  
1 Unit Photo Lab  
2 Bn Sig Opns  
4 Co Sig Ser  
3 Bn Sig Cons  
2 Sec Sig Radio Rcp  
2 Co Sig Cons  
2 Co Rad Int  
2 Teams Sig Con Ln  
1 Co Sig Mtr Msgr  
1 Co Sig Photo  
1 Co Pub Ser Bn  
1 Det P & PW  
2 Co Mbl Rad Broad  
1 Sec Fin Disb  
1 Unit KRU Type Z  
2 Units AP  
5 Det Miscellaneous  
1 Co Hq/Hq Co Sp Trs  
1 Co Sig Hq Sp Trs  
1 Co Eng C (SP)  
1 Bn Eng Ccm (SP)  
1 Co Sig Serv

TROOPS ASSIGNED FIRST ARMY WITHOUT ORGANIC FINANCESERVICE AS OF 1 MARCH 1945

6 Btry AAA Hq/Hq Btry	2 Co Cml Dep
6 Bn AAA Gun (M)	2 Co Cml Maint
1 Btry AAA S/L	4 Det Ord Gp Hq/Hq Det
1 Det AAA Opns	13 Det Ord Bn Hq/Hq Det
16 Bn AAA AW (M)	9 Co Ord Am
6 Bn AAA AW (SP)	8 Co Ord HM (Tk)
5 Units Sig Radar Maint (Type C)	1 Det Ord Serv (Miss)
3 Co Armd Gp Hq/Hq Co	1 Co Ord MVD
10 Bn TK	2 Units Ord Tire Repair
3 Tps Cav Gp Hq/Hq Trs	1 Pl Ord Serv (Bomb Disp)
7 Sq Cav Rcn (Mech)	11 Co Ord MM
14 Btry FA Gp Hq/Hq Btry	13 Co Ord MAM
2 Bn FA 8"	4 Co Ord Evac
4 Bn Armd FA 105MM How	6 Co Ord HAM
7 Bn FA 105MM How	6 Co Ord Maint
4 Bn FA 4.5 Gun	8 Co Ord Dep
3 Bn FA 240 MM How	13 Sqd Ord Bomb Disp
9 Bn FA 155 MM Gun	4 Co MP
13 Bn FA 155 MM How	2 Bn MP
5 Bn FA 8" How	2 Det MP CI (Type III)
4 Bn FA Oban	4 Co MP Escort Gd
4 Co TD Gp Hq/Hq Co	4 Det QM Gp Hq/Hq Det
5 Bn TD (Towed)	19 Det QM BN Hq/Hq Det
10 Bn TD (SP)	22 Co QM Serv
10 Co Engr Gp Hq/Hq Co	3 Co QM Salv Coll
30 Bn Engr C	3 Co QM Salv Rep
3 Bn Engr Hvy Pon Bn	2 Co QM Dep Sup
1 Bn Engr Cam	6 Co QM Rhd
1 Bn Engr Topo	4 Co QM Gr Reg
2 Co Engr Water Sup	6 Co QM Bkry (ii) (SP)
6 Co Engr L Equip	41 Co QM Trk
4 Co Engr Maint	7 Co QM Gas Sup
5 Co Engr Dp Trk	2 Co QM Car
6 Co Engr L Pon	1 Co QM Refrig
4 Co Engr Trdwy Bn	4 Co QM Furnif & Bath (ii)
3 Co Engr Topo	6 Co QM Ldry (SH)
1 Co Engr Dep	1 Co Harbor Craft
2 Det Engr Util	1 Gp TC Traf Reg
2 Pl Engr Fire Fighting	2 Co AMPH
4 Team Engr Tech Int	3 Bn Sig Opn
3 Det Med Group Hq/Hq Det	2 Bn Sig Cons
11 Det Med Bn Hq/Hq Det	1 Co Sig RI
18 Co Med Coll	1 Co Sig Dep
8 Co Med Clearing	1 Co Sig Photo
1 Co Med Dep	1 Team Signal Center
23 Teams Dog Rescue	1 Co Sig Pgn
9 Co Med Amb	1 Co Sig Rep
1 Hosp Station	4 Co Sig Serv
10 Hosp Evacuation	3 Units MRU (Type Y)
5 Det Dental Prosthetic	1 Unit IRU (Type Z)
1 Bn Med Gas Treat	14 Units APU
1 Lab Med (A)	1 Unit Information and Historical
1 Hosp Conv	4 Co Sp Serv
4 Hosp Field	4 Bands, Army
1 Bn Cml (Mtz)	9 Fin Disb Sec
2 Bn Cml Mortar	
1 Lab Cml	
2 Co Cml Smoke Gen	

CHART SHOWING AVERAGE LOADS OF THE SAME 24 DIVISIONS OF ALL KINDS, TO COMPARE WORK LOADS AND PERSONNEL PRESENT FOR WORK

		TOTAL DISBURSED	NO. OF VOUCHERS	NO. OF PAYEES	NO. OF INVOICES	NO. OF PTA	NO. OF WAR BONDS	NO. OF OFF	NO. OF WO	NO. OF EM
1945 MARCH APRIL MAY	Infantry Divisions									
	1 - 2 - 3 - 4 - 5	769,927.88	373.8	15,805.6	4.9	1,979.7	5,676.9	2.	.9	18.6
	42 - 44 - 45 - 100 - 103	558,115.51	283.5	12,648.3	4.4	2,659.3	3,535.4	2.	.8	18.3
		825,410.94	362.	15,378.3	2.	2,195.3	5,132.1	2.	.7	18.9
	Total	2,153,454.33	1,019.3	43,832.2	11.3	6,834.3	14,344.4	6.	2.4	55.8
	Average	717,818.11	339.7	14,610.7	3.7	2,378.1	4,781.4	2.	.8	18.6
MARCH APRIL MAY	Armored Divisions									
	2 - 3 - 4 - 5 - 6 - 7	503,867.55	291.8	11,885.7	2.	1,456.9	3,305.	2.	.9	18.7
	8 - 9 - 10 - 12	442,767.14	236.3	11,045.5	.5	1,505.5	3,117.4	1.9	.8	18.3
		536,355.82	329.4	12,025.	1.	1,385.4	3,382.8	2.	.7	18.6
	Total	1,482,990.51	858.0	34,956.2	3.5	4,347.8	9,805.2	5.9	2.4	55.6
	Average	494,330.17	286.0	11,652.	1.1	1,449.2	3,268.4	1.6	.8	18.5
MARCH APRIL MAY	Airborne Divisions									
	13 - 17 - 82 - 101	1,692,847.48	389.00	15,682.5	2.77	2,353.	3,907.5	2.25	0.	19.7
		1,044,651.10	256.25	9,707.	0.	5,537.	3,659	2.5	0.	19.77
		1,757,136.93	305.50	14,440.25	1.	2,880.25	5,710	2.75	.5	18.7
	Total	4,494,635.51	950.75	39,829.75	3.77	10,770.25	13,276.5.	7.50	.5	58.17
	Average	1,498,211.83	316.9	13,276.5	1.28	3,590.00	4,425.5	2.5	.16	19.3

The number of men present as represents division strength is not shown. If it were, the ratio would be slightly higher.

Chart shows all loads were about the same except amounts disbursed. Amounts disbursed bore no relation to the work load. Vouchers per man and number of men serviced per man is the criterion for work load.

Ratio of: one man finance paid 785 men Infantry  
630 men Armored  
688 men Airborne



	T/O 14-500*			T/O 7-1 Infantry Division Finance			T/O 17-1 Armored Division Finance			T/O 71-1 Airborne Division Finance		
	Separate Finance Disbursing Section Off. W.O. E.M.			Finance Disbursing Section Off. W.O. E.M.			Finance Disbursing Section Off. W.O. E.M.			Finance Disbursing Section Off. W.O. E.M.		
Lieutenant Colonel				1			1			1		
Major	1											
Captain				1			1					
Lieutenant	1									1		
Warrant Officer		1			1			1				
Master Sergeant		1			1			1				1
Technical Sergeant					1			1				1
Staff Sergeant		4										
Technician 3rd Grade		1			3			3				3
Technician 4th Grade		2			6			5				5
Technician 5th Grade		6			6			7				3
Private First Class		2										
Private		1										
TOTAL	2	1	17	2	1	17	2	1	17	2		12

\*NOTE: The separate finance disbursing section under T/O 14-500 differs from T/O 7-1, under which it originally was requisitioned, only in rank and grades.

HEADQUARTERS \*\*\*\*\* CORPS  
Office of the Finance Officer  
APO \*\*\* U. S. Army

11 April 1945

SUBJECT: Funding Facilities for Finance Officers of Combat Units

TO : Finance Officer, \*\*\*\*\* United States Army, APO \*\*\*, U. S. Army

1. Considerable objections are being made and difficulty encountered by Finance Officers of Divisions and Finance Sections attached to Corps in connection with "funding". It is believed that the present service is inadequate.

2. The distance to the funding office has varied in recent months of not less than fifty miles and usually more than one hundred miles, at the present time more than three hundred miles. Security, shortage of transportation, and time consumed in travelling such distances are of vital concern on each occasion and affect finance service within the organization concerned. The principal objection however, is the congestion of Finance Officers present on each occasion from the large area serviced, making "waiting in line" necessary. "Hand receipts" have been the result.

3. Traveling long distances and waiting for large sums of currency to be verified requires Disbursing Officers or their Deputies, together with enlisted personnel used as guards, to almost invariably be absent from their office from two days to four days, and longer if a proper receipt is to be obtained. In one reported instance, an estimated delay of from eight to ten days was suggested unless a hand receipt was taken. If hand receipts are taken, the Official Forms 327 are not received by mail until a week or even two weeks later, which required Disbursing Officers to carry the transferred amount "in transit" and to trust that the Funding Officer's verification will not bring about a discrepancy, correct or incorrect. It is also significant that the Funding Officer will not transfer currency to Disbursing Officers by the same procedure.

4. Funding has become of primary importance as the rapid advance of our troops and the location of Finance Offices increase the distance between what now appears to be a static funding office. It is suggested that a funding procedure be recommended to the Fiscal Director to facilitate more rapid transfers of currency. Funding teams from the funding office located in and to move with each Army with designated days set apart for each officer concerned to transfer funds, might be the solution, or possibly a mobile funding team from the funding office on a schedule appearing at some central location, i.e. Corps or Division rear echelon, which would furnish the necessary quarters and rations.

/s/t/ \*\*\*\*\*  
Colonel, FD,  
Finance Officer

120 (FIN)

1st Ind.

HQ \*\*\*\*\* UNITED STATES ARMY, Office of the Finance Officer, APO \*\*\*, US Army,  
16 April 1945.

TO: Fiscal Officer, Advance Section, Communications Zone, APO 113, US Army

1. Complaints similar to those voiced in basic communication have been received from corps and division finance officers throughout this command. This office concurs in the belief that the funding service is now, and has been for the past several weeks, inadequate and unsatisfactory.

2. Due to recent increases in strength, the \*\*\*\*\* Army is short of finance disbursing personnel necessary to maintain maximum finance service. At the same time, because of the increased distance to the funding officer, more men must be taken from their disbursing duties, for longer periods of time in order to obtain funds for the payment of troops and the exchange of currencies. In an effort to conserve transportation and time, it has been the policy in this Army for one Finance officer from each corps and one from this headquarters to act as sub-funding officers for the remaining corps, division and section disbursing officers. While this policy has effected a reduction in the number of personnel used for funding duties, the majority of disbursing officers properly object to accepting hand receipts for funds turned in, pending verification, without at least having the same privilege of giving hand receipts for currency received from the funding officer. As a result, more disbursing officers have been insisting on dealing directly with Captain Sivertson, and waiting varying periods in order to obtain proper receipts on forms 326-327.

3. Since the above mentioned shortage of finance personnel in this command prevents the setting up of a central funding office for \*\*\*\*\* ARMY, it is earnestly recommended that the present funding officer be stationed well forward in the army areas and supplied with sufficient personnel to render adequate and prompt funding service.

/s/t/ \*\*\*\*\*  
Colonel, FD,  
Finance Officer.

120 (FIN)

2nd Ind.

FISCAL OFFICE, HQS, ADVANCE SECTION, COM Z APO 113, U.S. ARMY, 23 April 1945

TO: Office of the Fiscal Director, Hq. European Theater of Operations,  
APO 887, U. S. Army

1. Great difficulty and delay was experienced in efforts to move the funding office out of the area occupied by this headquarters. However, the office was moved to Liege and subsequently the Hersfeld, Germany (H4054). Although the location is in the approximate center of the 1st, 3rd, and 9th Army areas, it is still 200 miles to Aachen and 130 miles to 9th Army Headquarters (rear). At present there are 37 men and 3 officers engaged in handling this job; whereas one entire unit would have difficulty in servicing an Army plus Air Corps finance units in the area.

2. The finance personnel at the disposal of this command does not permit the establishment of funding sections for each army (the most desirable solution); neither does it permit the maintenance of a staff large enough to verify immediately the tremendous quantities of Belgian and French francs plus other currencies being turned in by the finance officers now in Germany. Capt. \*\*\*\*\* is charged with funding 103 disbursing officers plus an unknown number of air corps units. When you consider that all of these units have recently entered Germany and are exchanging various currencies for Allied Military marks, it can easily be seen that the present arrangements are not adequate and are entirely unsatisfactory. No improvement is possible unless additional personnel are furnished. This command has an assigned strength of 101,000. Available to pay these troops and to exchange funds for all of them are six finance units. As soon as Major \*\*\*\*\* of the \*\*\* Finance Disbursing Section is able to liquidate his funding account, there will be seven units, five others are assigned to this command. One (the \*\*\*) is funding and the remaining four are attached to Reinforcement Depots. Attempts to utilize more fully the personnel of finance units serving Reinforcement Depots have been unsatisfactory due to the irregular flow of reinforcements, which if paid, must be paid immediately (within 24 hours after rolls are submitted). Therefore, finance units serving Reinforcement Depots cannot be relied upon to service other than the Depots. The personnel of the Reinforcement Depots are not included in the strength figures of this command.

3. Under the basis of one unit for each 12,000 Troops assigned, this command is short two finance units and needs them to provide adequate finance service for its troops. It is specifically requested that the two units be provided plus additional personnel to properly maintain an adequate funding office.

\*\*\*\*\*  
Colonel, FD  
Fiscal Officer

OFFICE OF THE FISCAL DIRECTOR, HQ3, ETOUSA, APO 887, U.S. Army, 27 April 1945.

TO: Finance Officer, \*\*\*\*\* U.S. Army, APO \*\*\*, U. S. Army  
Thru: Fiscal Officer, Hq. ADSEC, APO 113, U. S. Army

1. I have full appreciation of all the difficulties which are being experienced in funding the finance sections of the Armies, and I appreciate the splendid work which has been done.

2. The conditions existing today with the troops scattered over such wide areas make it impossible for the Armies to be furnished with the same perfect service which they have enjoyed in the past, and the finance officers must realize that they cannot expect it.

3. It is not necessary that each finance officer turn in all Belgian and French francs each month, it is only necessary that they have an adequate supply of the Allied Military Marks. In every case where it is possible to do so, previous arrangements should be made with the funding office as to the time various officers will call at his office to draw additional currency. Army finance officers should send one, or if necessary, several finance officers to draw the monthly requirements for their finance officers, and not require each to travel great distances to the funding officer. Intelligent planning and positive action will solve many of the difficulties which now confront the finance officers.

4. There are no additional finance sections available for assignment either to ADSEC or to the Armies, and the job must be done with what is now available. The chances are that some units must, of necessity, be withdrawn from the Armies in the near future, and they must be in a position to meet the demands with even less than they have now.

N. H. COBBS  
Brig. Gen., USA  
Fiscal Director

RATIO OF FINANCE PERSONNEL TO TROOP STRENGTH

	<u>FTO</u> <u>Troop Strength</u>	<u>Finance Unlisted</u> <u>Personnel</u>	<u>Number of Troops</u> <u>per Finance Unlisted Man</u>
31 January 1945			
Air Force	429,498	1520	282
Ground Force	1,368,758	1769	708
Communications Zone	1,030,783*	1615**	638
Fiscal Director's Office		<u>343</u>	<u>Not disbursing</u>
TOTAL	2,829,039	TOTAL 5,267	THEATER AVERAGE 537

\*Communications Zone, 675,144 plus 355,137 unassigned.

\*\*Does not include 296 civilians used by disbursing sections in Communications Zone

30 April 1945

Air Force	471,248	1570	300
Ground Force	1,613,004	2073	778
Communications Zone	918,253 <sup>1/2</sup>	1684 <sup>1/2</sup>	583
Fiscal Director's Office		<u>284</u>	<u>Not disbursing</u>
TOTAL	3,065,505	TOTAL 5611	THEATER AVERAGE 546

<sup>1/2</sup>Communications Zone, 623,041 plus 358,212 unassigned.

<sup>1/2</sup>Does not include 176 civilians used by disbursing sections in Communications Zone

WAR DEPARTMENT  
The Adjutant General's Office  
Washington, 25, D.C.

AG 123 (1 Jul 44)OB-S-E-M

LEJ/er 2B-939 Pentagon

14 July 1944

SUBJECT: Reduction of Inflationary Spending by Army Personnel Overseas.

TO : Commanders,  
Theaters of Operations,  
Southwest Pacific, Central Pacific,  
and South Pacific Areas;  
U.S.A.P. in China-Burma-India, Middle East,  
South Atlantic, Central Canada and Eastern Canada;  
Eastern and Caribbean Defense Commands.  
Alaskan Department; Greenland Base Command;  
Northwest Service Command; Persian Gulf Command;  
All Ports of Embarkation;

1. In the ETO, intensive efforts to reduce spendable purchasing power of Army personnel have met with considerable success and are an important factor in the control of inflation in liberated areas and in the Theater generally. As a result of the measures instituted by SHAEF approximately seventy-five per cent (75%) of American soldiers' pay is being sent home or spent in Army channels.

2. Military operations and attendant spending by Army personnel in foreign areas inevitably accelerate inflation. The consequences are harmful to troops, work severe hardships on the civilian populations, interfere with military operations and with international monetary relationships and create disunity among the peoples of the allied countries. All commanders are, therefore, urged to continue and intensify efforts to persuade personnel to divert their funds into saving and into forms of spending that will not disrupt the economies of other countries.

3. It is desired that in all ports of embarkation and in all overseas areas there be conducted a Savings Campaign and that each Commander addressed appoint from his staff, without increase in the troop basis, a Savings Promotion Officer to organize and direct the campaign throughout all subordinate echelons. To assist commanders in implementing such a campaign, the Morale Services Division will make available the following:

a. Suitable promotional and informational aids consisting of posters, booklets, special messages for broadcast over theater radio stations and public address systems, cartoons and news items for use in theater publications and other pertinent materials. Delivery of such aids in quantities that will be needed to put the campaign into operation will begin in approximately ten weeks.

b. A supplementary educational campaign to be conducted through existing news, radio, film and orientation media of the Morale Services Division.

c. Personnel from the Field Service Branch, Morale Services Division, who will assist each theater's savings Promotion Officer in setting up the program, if such aid is desired.

4. This program is of special interest to the War Department and its implementation is deemed a command responsibility. The inclosure, outlining the materials and procedures which have been approved by the War Department for use in conducting the Savings Campaign, is furnished for the information of all concerned. Pending receipt of the materials described in the inclosure, commanders will institute appropriate measures in furtherance of the savings program.

5. It is recommended that the Savings Campaign be continued on an intensive basis until the amount of spendable purchasing power retained by personnel has been reduced to the lowest possible levels consistent with good morale among the troops and with conditions prevailing in the particular command. Thereafter, all efforts should be made to keep spending at the desired minimum level.

6. The following War Department policies are stated for guidance of all concerned in the conduct of savings-promotion activities.

a. While the widest possible participation by officers and enlisted men is desired, no coercion or undue pressure is to be employed. The decision as to the amount and method of savings rests with the individual and should be reached voluntarily. The compulsory withholding of pay, which would have a detrimental effect on morale, has in any case been declared contrary to law by The Judge Advocate General.

b. All proper means may be used, however, to make each individual aware of the importance of making maximum financial provision both for dependents and for his own future needs, particularly during the period immediately following demobilization.

c. While the method of saving is optional with the individual he will be encouraged to make a judicious distribution of funds among the following: National Service Life Insurance, War Bonds, Soldiers' Deposits, Allotments-of-pay (Class E) and Personal Transfer Accounts. Ordinarily, provision for dependents should take precedence over any other form of savings.

d. When officers and enlisted men are directly solicited to increase their savings, consideration should be given to their specific personal problems and requirements.

BY ORDER OF THE SECRETARY OF WAR:

J. A. ULIO  
Major General,  
The Adjutant General

INCOMING MESSAGE  
ETOUSA

Reference No.: 879

REC/llh

From: CG 8TH AIR FORCE Dated: JAN 311443Z Classification: SECRET  
To : SENT TO ETOUSA(ACTION) Rec'd: JAN 311710Z Precedence: ROUTINE

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"EDITED LITERAL TEXT"

Interior Addresses: From: MILLER  
Signed: EAKER

Reference: OURAD 6 (ACTION G-1)  
: 1195 Dated Jan 23 (ORIG. BY G-1)

50 Grades and Ratings of Finance Detachment at large to be used for Disbursing Offices at HQ. 8TH Air Force, 8TH Bomber Command, Northern Ireland and Augmenting Finance Personnel at Burtonwood and Honington for which adequate tables of organization have NOT been provided. Cancellation request on OURAD 6, clarified by letter from Washington.

REC'D AG ETO: JANUARY 311725Z  
ETO DISBTRIBUTION  
M/C N-89 Jan 31 (LJH)

EXTRACTS FROM REPORTS ON FOREIGN CURRENCY OF THREE DIVISION FINANCE SECTIONS PICKED AT RANDOM

	German Marks			French Francs			Dutch Guilder			Belgian Francs			Italian Lira	
	5th Armored	82nd A/B	3d Infantry	5th Armored	82nd A/B	3d Infantry	5th Armored	82nd A/B	3d Infantry	5th Armored	82nd A/B	3d Infantry	5th Armored	82nd A/B
1. Balance Beginning Period	287,169.5	1,163,612.5	20,352,054.5	321,762	13,768,554	32,919,844	1,363	1,740.50	None	26,240,712	8,175,524	912,700	231,058	
3. Transferred From Others					56,500,000	27,418,000	2,023,500				114,345,000			
4. (Rec'd in Exchange for other Currency & Treas. Checks)	98,789.0	2,582.0	870.0	689,688	4,927,486		14,334.05	2,785.50	219.0	6,450,003	20,399,658	99,060	238,899	
5. Cash Collections	92,341.0			22,597.6	24,867	1,931,260	24,099,790	83,005.60		7,194,179	34,796,612		10,000	
7. Total Available During Period	478,299.5	1,166,173.5	20,375,522.1	1,036,317	77,127,300	84,437,634	2,122,202.65	4,526.00	219.0	39,884,894	177,716,794	1,011,760	479,957	
8. Disbursed to Military Pers.				52,242	18,598,010	20,959,871	13,348.50	397.50		18,733,161	60,503,404			
10. Disb. for Local Procurement						53,070					840			
11. Trans. to other Disb. Off.	462,233.0		20,373,687.1	887,245	921,200	4,421,416		1,343.00	219.0	19,152,680	90,650,328	923,099	233,064	
12. (Exchanged for other Currencies & Treas. Checks, Money Orders, etc.)		1,370		41,628	23,220,857	811,675	437,355.25			676,757	4,371,083			
14. Total Disbursements	462,233.0	1,370	20,373,687.1	961,115	42,740,067	26,246,032	450,704.05	1,740.50	219.0	38,562,598	155,525,625	923,099	233,064	
15. Balance End of Period	16,066.5	1,164,803.5	1,835.0	75,202	34,387,233	58,191,602	1,671,498.60	2,785.50	None	1,322,296	22,191,139	88,661	246,893	
Period 1-31 May 45														
1. Balance Beginning Period	9,036,678.87	10,669,414.5	15,138,387.0	500,062	21,513,943		49,815.75	5,396.50		123,628	306,062		500	
3. Transferred From Others	8,000.00	5,000,000.0	5,200,000.0	11,651,000	2,538,409			1,354.0		2,412,000	363,300			
4. (Rec'd in Exchange for other Currency & Treas. Checks)	791,336.00	464,604.5	443,101.4	507,404	34,250		124,468.30	1,737.50		487,185	280,916	30,725	203,153	1,500
5. Cash Collections	2,695,153.00	7,328,376.5	6,510,279.5	33,016	1,586,064		11,452.15	18,695.00	22.5	145,540	8,445	100	705	
7. Total Avail. During Period	12,531,169.87	25,662,265.5	27,291,767.5	12,691,482	25,672,666		185,736.30	27,185.00	22.5	2,168,153	958,743	30,825	204,158	2,000
8. Disb. to Military Pers.	4,963,575.37	15,603,275.0	11,314,242.8	403,192	7,475,350		1,187.25			52,472				
10. Disb. for Local Procurement		825.0												
11. Trans. to other Disb. Off.	6,138.00		40,675.0		7,570,000						1,600	30,825	204,158	
12. (Exchanged for other Currencies & Treas. Checks)	715,054.50	601,004.0	1,895,251.3	2,605,950	1,800,490		19,130.20	1,802.50	22.5	793,265	670,533			
14. Total Disbursements	5,684,768.37	14,205,104.0	13,250,169.1	3,009,142	16,845,840		20,317.45	1,602.50	22.5	845,737	672,333	30,825	204,158	
15. Balance End of Period	6,846,401.50	11,457,161.5	14,041,598.8	9,682,340	8,826,826		165,418.75	25,382.50	None	2,322,416	286,410	None	None	2,000