Accounting Unit For City Is Urged

Recommendation Made By Beck In Annual Report To Council

Shows Gap In System

Municipal Auditor Points Out Absence Of Statistics

In his annual report, sent to the City Council last night, Howard C. Beck, Jr., City Auditor, recommended that the administration "give consideration to the establishment of the General Accounting Bureau (recommended by the Commission on Efficiency and Economy), in order that there be no gap in our accounting system."

Mr. Beck said "the city will then be in a position to prepare and publish a balance sheet with supporting schedules which, in my opinion, is most valuable from the standpoint of showing that the accounting methods of the city are on an efficient basis and that control has been established."

Could Make Comparisons

"Figures would then be available showing such items as inventories of properties, equipment and supplies, operating expenses, accounts payable and accounts receivable, for which the City Collector would be accountable. Figures would also be available by which comparisons of costs might be made, thereby making the detection of possible fraud more easily accomplished."

The general accounting bureau is one of the recommendations of the Efficiency and Economy Commission that were not carried out by Howard W. Jackson, former Mayor, and which the present administration has permitted to pass without action.

Statistical Data" Lacking

The bureau was to keep all ledger or controlling accounts and many subsidiary accounts, Mr. Beck pointed out, embracing every function of the city government.

"As the bureau was not established," he said, "the city does not now have accounting records showing costs and statistical data that are desirable."

The report was regarded as interesting, in view of the recent request of the Public School Association that the School Board have an independent audit of its accounts.

Mr. Beck said that in addition to the daily audit of cashiers' collections, his bureau made an audit of 11,000 disbursement vouchers by the Bureau of Disbursements, proving, in a large measure, the extensions and additions.

Few Errors Found

"Considering the large volume of work," Mr. Beck added, "these records were found to be remarkably free from error. There were, however, a few cases of over and under payments, which have been subsequently adjusted or allowed to pass, due to the small amounts involved."

He said the largest error discovered was a duplicate payment of $144 to a local coal company for twenty tons of bituminous coal delivered to public bath No. 4. Adjustment of this amount was made by taking credit on voucher No. 9,391 of 1927."
Pittsburgh Action Compliment

For the city of Pittsburgh to adopt the administrative methods of the Bureau of Disbursements, as was announced last week it would do, is regarded at the City Hall as a compliment to the late Commission on Efficiency and Economy. The commission worked out and installed the system and put it into effect during the administration of Howard W. Jackson, former Mayor.

After inspecting the bureau, John Schipp, Jr., Deputy Comptroller of Pittsburgh, said he was "very much pleased with it."

Herbert Fallin Director

Pittsburgh has a similar bureau, he explained, but it does not compare generally with that of Baltimore, chiefly for the reason that it is not centralized and uses the handwriting system. Machines are used at the local bureau, of which Herbert Fallin is the director. The bureau is a part of the Comptroller's Department, a feature the Deputy Comptroller of Pittsburgh liked particularly.

Accounting experts in several large cities have praised the Baltimore Bureau and the city's accounting system generally. In no instance to date have these experts discovered improvements that could be made.