PROVING ITS WORTH

An interesting and important phase of the investigation into the cost of truck hire and of the operation of trucks owned by the city (whatever the results of the investigation now being made) is the proof incidentally given of the reform of the city's accounting system, which was put into effect by Mayor Jackson. There is probably not another city in the country, it is said, in which such complete data could be compiled on the subject.

Installation of the Bureau of Control and Accounts was the final step in the reorganization of the city's accounting methods, and the fact that a detailed analysis of the cost of operation of municipal services can now be had is a concrete demonstration of the importance of the reform. While there may be different interpretations put upon the figures that are disclosed, there seems to be no question as to the accuracy and completeness of the cost-accounting system. It will be something new to citizens of Baltimore to learn that accounts are kept in such detail that every item that enters, for example, into cost of operating trucks, whether municipally owned or hired, can be ascertained to the last cent.

Credit for the reform should go first to the Efficiency and Economy Commission for its aid in developing and urging adoption of the system upon the city. And next to Mayor Jackson for his cooperation in putting it into practice. With other changes in accounting methods, it has revolutionized the city's system of bookkeeping, making it possible to present a picture of its financial operations that would be creditable to the best-managed private corporation.
THE HALL LIGHT
November 26, 1935

CONTROL AND ACCOUNTS
ORGANIZING
EMPLOYEE SCHOOL

WILL INSTRUCT IN BUREAU ORGANIZATION AND FUNCTIONS

The Bureau of Control and Accounts is in the process of organizing an after-hour school to enable employees of the Bureau to study the details of its organization and functions. The actual organization work is being handled by a committee composed of John W. Gray, Jr. (chairman), C. E. Shaw and Frank Penn with Wm. C. Thayer, Louis C. Appel and R. S. Shanklin as advisory members.

The Control and Accounts Employee Association, which numbers in its membership 50 of the 55 employees of the Bureau, was the body to which the idea was referred by Wm. C. Thayer, head of the cost division, for original action. This body voted unanimously in favor of the scheme and the appointing of the committee previously referred to was the first step toward its final adoption. R. S. Shanklin is president of the Employees Association.

Although final plans for the organization of the school have not been completed, it is understood that the instructions will be under the supervision of the heads of the various subdivisions of the Bureau.

ON THE RIGHT FOOT

The Bureau of Control and Accounts appears to have very well realized the importance of a thoroughly detailed organization plan for the Bureau's after-hour school. According to all reports the school did not lack in careful and thoughtful planning when it got under way. This is very well, for the importance of the step taken by the Bureau is far-reaching. It can be easily foreseen that the time will come when many City employees will gratefully remember the Bureau of Control and Accounts as the pioneer in the employe educational movement. This gratitude will increase when, upon investigation, it is found that the system rests on a sound, practical and carefully constructed foundation.
City’s New Accounting System Extended To Parks

Bureau Provides Means For Quick Figuring On Cost Questions From Lighting To Upkeep Of Mary Ann, The Elephant

Mr. Fallin, is to conduct investigations and determine what various municipal operations cost now and in the past. Comparative statistics on costs are its principal output.

Nearly All Bureaus Included
Practically all of the engineering and operating bureaus providing the essential services already have been included in the cost accounting system. The first steps to include the Park Department were carried out early this month and the cost accounts for this unit are completely set up.

Mr. Fallin plans to include the operations of the Fire Department in the cost investigating scheme next. He is also considering inclusion of the Department of Education in the plan. Baltimore City Hospitals was made a unit of the scheme several months ago.

Fallin Heads Bureau
Mr. Fallin heads the accounting bureau and is in direct charge of the disbursement unit. These duties are in addition to his work as budget director.

The personnel of the accounting agency was made up of accountant clerks and other employees taken over from the various bureaus when their accounts were superseded by the system of the general accounting department.
CITY ACCOUNTING PRAISED FOR ITS ACCURACY

Casey Commends Municipal Balance Sheet For 1935

FIRST DOCUMENT OF ITS KIND ISSUED

Budget Director Fallin Credited With Instituting Improved Methods

Commending the municipal balance sheet for 1935 submitted to Mayor Howard W. Jackson by Budget Director Herbert Fallin as thoroughly sound and accurate, William J. Casey, head of the Commission of Governmental Efficiency and Economy, said today that the statement showed refinements that enhanced its usefulness.

He pointed out that accounting recommendations developed by the earlier efficiency commission contemplated the preparation of a balance sheet after the close of each year that showed in detail the city's assets and liabilities. The 1935 statement is the third document of this kind to be issued.

Cites Improvement

Mr. Casey stated that Mr. Fallin had refined and improved the initial recommendations with the result that the 1935 report had gained in simplicity and comprehensiveness.

The document showed that the net reduction in municipal debt last year aggregated $3,887,050 and the ratio between net debt and taxable basis had dropped from 6.26 per cent. to 6.24 per cent. Seven percent of the taxable basis is regarded in financial centers as the safe limit for municipal debt.

The net figures are arrived at by deducting from the gross amount of debt the total of self-supporting obligations.

Other Figures Given

The self-supporting debt includes $12,156,888 of conduit and port development bonds outstanding and $23,668,714 of water improvement securities. Conduit rental, the McComan street pier rental and water charges are sufficient to offset the charges on these debt items. The gross aggregate of city debt is $181,164,179. The net debt is figured at $158,318,366.

Total assets of the city were calculated at $446,084,541 and total liabilities at $225,981,852. Among the assets were listed accounts receivable the principal item of which was $4,880,359 of outstanding taxes not paid by January 1.