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State Conservation Commission

Survey of
General Office Activities

A. T. KEARNEY & COMPANY

A. T. Kearney & Company

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July 29, 1959

Telephone STate 2-2868

Mr. H. W. Freed, Chief
Division of Administration
State Conservation Commission
East 7th and Court Avenues
Des Moines 8, Iowa

Dear Mr. Freed:

In accordance with your instructions, we have completed a survey of the general office activities of the Conservation Commission to develop:

1. A revised office layout.
2. An outline of a suitable filing plan and file retention schedule.
3. Revisions in accounting practices and procedures, including the application of machine accounting to your accounting functions.

During this survey, we devoted our attention primarily to these problems. However, observation of other activities enabled us to offer several suggestions which may provide additional benefits. These changes relate to:

1. Preparation of blueprints.
2. Establishment of an adequate forms control system.

3. Feasibility of using standard purchase order forms and centralization of purchasing activities.

Our review indicated that adoption of the recommendations set forth in the report should result in the approximate savings shown in the table below.

Reduction of accounting costs	\$ 7,200
Preparation of blueprints	1,800
Reduction in personnel through elimination and centralization of filing activities	<u>4,560</u>
Total Operating Savings	<u>\$13,560</u>

To obtain the total savings, it would be necessary to purchase a bookkeeping machine costing \$7,000 to \$8,000 and a blueprint machine at an approximate cost of \$1,000. It would appear that cost of equipment can be liquidated in approximately one year although some of the savings do not depend upon acquisition of new equipment.

Our findings and recommendations are presented in detail in the attached report under the following headings for convenience in reference:

- I - Office Layout
- II - Filing Plan and Retention Schedule
- III - Review of Accounting Practices
- IV - Other Considerations
- V - Summary and Conclusions

We appreciate the opportunity to be of service and will be pleased to discuss with you any additional assistance you may wish in order to implement the suggested program.

Respectfully submitted,

A. T. Kearney & Company

STATE CONSERVATION COMMISSION
SURVEY OF GENERAL OFFICE ACTIVITIES

I - OFFICE LAYOUT

PRESENT LAYOUT

A review of the present office plan shown in Exhibit I indicates the need for reallocation of space and revisions in equipment placement for the following reasons:

1. Increase in number of employees.
2. Excessive file storage maintained in each section.
3. Partitions causing poor ventilation, cluttered appearance and inefficient use of floor space.
4. Aisle placement creating undue traffic through sections where contact is least needed is undesirable, causing ineffective space utilization.
5. Desks facing different directions resulting in poor appearance and encouraging unnecessary communication among employees.

RECOMMENDED CHANGES

Based on discussions with your personnel to obtain information about the space requirements of the respective sections, we are proposing the office plan shown in Exhibit II. The suggested layout provides for:

1. Removal of unnecessary partitions to give better office appearance, improved ventilation, and more effective use of the gross floor area.

2. Consolidation of storage of office supplies and various publications and relocation of duplicating equipment in the first floor supply room.

3. Placement of departments to facilitate inter-communication where the normal working relationships require it, such as license section adjacent to accounting, and public relations near the elevators.

4. Reduction in the flow of outside traffic past the license and engineering sections to the cashier's office by relocating the cashier opposite the elevators.

5. Elimination of unauthorized persons from the cashier's office area.

6. Realignment of Chiefs' secretaries to face the same direction and removal of partitions surrounding them to give better office appearance and improve interflow of work when this is necessary.

7. Allocation of approximately 100 square feet per employee. In some instances, it was necessary to reduce this because of layout and space limitations, and to avoid substantial construction costs.

The relocation of film storage and office supplies to the first floor will make available for better utilization 930 square feet. This space plus the area gained from reducing aisle space has been reallocated to provide the Superintendents' sections with more floor space per employee and relocate activities in order to improve the flow of work.

The table below shows the present and proposed square footage, personnel, and increase or decrease of available floor space for each section.

<u>Section</u>	<u>Present Force</u>	<u>Proposed Force (1)</u>	<u>Present Square Feet</u>	<u>Approximate Proposed Square Feet (2)</u>
Public Relations	6	8	325	525
Accounting	8	5	945	890
Engineering	10	12	1,315	1,585
Equipment	2	2	285	300
License	4	4	355	285
Cashier	1	2	285	350
Superintendents, Auditors and Assistant Attorney General	11	12	1,215	1,465
Central File		1	535	575
Supplies	1	1	685	Move to First Floor
Chiefs and Chiefs' Secretaries	(No change - space not included in totals)			
Superintendents' Secretaries	9	5	540	800
Secretarial Pool	0	2	-	200
Film Department	Included in Public Relations		245	Move to First Floor
Aisle Space	-	-	<u>1,200</u>	<u>955</u>
Total	<u>52</u>	<u>54</u>	<u>7,930</u>	<u>7,930</u>

(1) Represents projected changes as estimated by Chief of Administrative Division.

(2) Based on providing adequate space for present staff.

II - FILING PLAN AND RETENTION SCHEDULE

PRESENT PRACTICES

A preliminary examination of the problem in October, 1958, prompted us to recommend that before attempting to develop a file plan and retention schedule you should remove all records for which there was no continuing need. Upon completion of this "house cleaning," an inventory was prepared by your personnel indicating the contents of each of the 423 file drawers in the department. Although a considerable volume of obsolete records has been removed, there is need to inventory, review and destroy records in the Superintendents' files and in the first floor storeroom.

We supplemented the file inventories by personal inspection of the records and by discussions with the Chiefs and Superintendents which revealed the frequency of reference to the material, the possible retention period necessary, and other pertinent information which would assist us in preparing our recommendations.

We found that in addition to the records filed in the central file room there is considerable material retained by the Superintendent of each section. In neither case have the records been filed with any logical and integrated plan in view nor with any consideration of a logical file retention schedule.

The Superintendents' files contain permanent records, pamphlets, blank forms, correspondence, weekly, monthly and

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annual statistical reports, blueprints, information about projects in process and considerable other material including that which is only of personal interest. There are about 40 types of data in the section files. These include current and obsolete material.

The filing problem can be characterized as follows:

1. Secretaries are retaining many records unnecessarily, partly through lack of clearly defined filing policies and procedures and partly by executive request. Inevitably, as personnel turnover is experienced, each new secretary adds her own modifications to the filing system.

2. A multitude of statistical reports is received from the field and filed for reference purposes, although the same information is available from statistical summaries which are prepared weekly or monthly, as the case may be. These statistics are further summarized for reports to the Division Chiefs, copies of which are filed in both the Superintendents' and Chiefs' offices.

3. The same basic project data are to be found in the Superintendents' offices and in the office of the Chief of Administration. These files include blueprints, claims, correspondence, and copies of bids, contracts and contract amendments. Similar duplications are to be found in the case of purchase orders, personal property records, and car reports.

4. Duplicates of all licenses issued are kept in the license section file for two years. Very seldom is there need for reference to these duplicates.

Your personnel stated that they have been reluctant to destroy records because of the absence of a defined retention schedule and because of possible future reference to the material. Although only infrequent reference to the records is required, the Superintendents prefer to be able to furnish detailed information about past events in response to inquiries from the state legislators or others.

RECOMMENDED CHANGES

(a) General Considerations

A centralized filing department utilizing present file equipment and a logical retention schedule would eliminate unnecessary records and place those remaining under proper control. This would make data readily available to anyone requiring use of filed material. Control would be achieved by clearance of requests for filed documents through the file clerk who would establish responsibility for return of the records by use of a charge-out card.

Although opportunity exists to improve the organization and availability of records through establishment of a central file department, we recognize that for convenience of reference and early disposition some records might be retained in the Superintendents' offices. Therefore, we have developed a file program which is flexible and will cover central and section needs.

(b) Central File
Department

1. State File. This portion of the file would contain material which cannot be classified into the area-county file, such as print orders, contractor bonds, bids, personnel records, projects, general correspondence and purchase orders. Subsidiary classifications would be set up as follows:

- (a) Division--lands and water, fish and game, and administration.
- (b) Subject or function code--Exhibit III.
- (c) Form number--Exhibit IV.

2. Area-County File. This portion of the file would contain material which can be classified into one of the three areas based on county groupings such as statistical reports received from the field, statistical summaries and reports, requests for repairs, reports of accidents, field diaries, requests for travel, applications for boat registration, noncommercial construction permits and concessions, farm leases, and bounty reports. Subsidiary classification would be set up as follows:

- (a) Areas I, II, III.
- (b) County in alphabetical order.
- (c) Section--fish, game, forestry, parks, biology, federal aid, public relations, legal, lands and engineering.
- (d) Subject or function code--Exhibit III.
- (e) Form number--Exhibit IV.

(c) Superintendents'
Office Files

These files should contain active material that is referred to frequently or material which by reason of its nature should not be stored in the central file, such as engineering plans or tracings, personal correspondence, active correspondence and current statistical work sheets.

The Superintendents' files should be set up as follows:

1. Areas I, II, III.
2. County in alphabetical order.
3. Subject or function code--Exhibit III.

Regardless of the location of the material or the major file division under which it is classified, it must be filed according to the functional classifications shown in Exhibit III. This will facilitate filing as well as rapid reference to the records. The two-digit function code will enable logical classification of specific forms, letters, contracts or other material to facilitate filing and subsequent reference.

We have prepared a list of the present records shown in Exhibit IV to aid you in classifying them under the suggested file plan. This exhibit provides space to enter the applicable retention period. Determination of the desired retention period should be accomplished by the Superintendents working as a group.

(d) Retention of
Records

In order to determine the length of time records should be retained, it was necessary to study the reference needs and any legal requirements pertaining to the material in your files. We suggest that the material may be classified as follows:

1. Permanent retention. The records should be reviewed periodically and those of no further use should be sent to the state archives as provided for under Sections 303.9 and 303.10, Page 908, State Libraries and Historical Department. The list is not complete but includes material which is referred to most frequently, such as, project data, accounting ledgers including property, payroll, disbursements and revenue records, financial reports, purchase orders, claims, leases and agreements.

2. Retain until the biennial report is completed. This category would include material such as statistical summaries.

3. Minimum 1 year, maximum 2 years, then destroy. This group includes expense statements, duplicate licenses, concession receipts, cabin receipts and refunds, correspondence, personal property assignment and disposal or transfer of equipment forms.

4. Minimum 6 months, maximum 18 months, then destroy. This category includes reassignment of motor vehicle forms, car dispatcher correspondence, machine tool catalogs, and car reports.

5. Until read and acted upon, then destroy. This includes all letters of inquiry, field correspondence and itinerary sheets.

6. Until summarized, then destroy. This includes all statistical forms sent in by field personnel.

The file clerk should maintain the above retention data on the list shown in Exhibit IV. When records are removed from the file, for transfer to the archives or for destruction, they should be placed in boxes and properly labeled. A destruction permit should be completed, signed by the Chief of Administration, and approved by the state archivist. This will effectively place responsibility for control over Commission records.

PRESENT PROCEDURES(a) Claims

The detail procedures covering the processing of approximately 1,200 claims per month are as follows:

1. Each claim is audited for correct extensions, vendor or claimant signature, and notarization. If the claim does not carry appropriate approvals and certification, it is either returned to the source or completed and notarized by Commission personnel.

2. The approved claim is sent to the Superintendent and Chief of Division where all three copies are signed and the account charge is entered. Claims may be held by either the Superintendent or Chief for as long as two weeks before they are returned to Accounting. The delay is due to absence caused by travel of the Superintendent and Chiefs and the time required to post amounts to appropriation encumbrance records maintained in each section.

3. The claim is separated in Accounting. The original is sent to the Chief of Administration for signature. The duplicate and triplicate copies and vendor invoice are held in Accounting until the signed original is returned, at which time the three copies are matched.

4. A claim number is assigned and stamped on both sides of each of the three copies. The vendor or claimant name, claim number, date, account charged, and dollar amount are entered in the claim register.

5. The original claim copy, with the invoice, is forwarded to the Comptroller. The duplicate and triplicate are held

in a "pending" file by any one of the three clerks in the book-keeping section.

6. The Comptroller retains the original claim and returns the warrant to Accounting where it is matched with the two "pending" claim copies. The amount of the claim and the warrant are compared for accuracy; the warrant number is entered in the claim register; the triplicate claim is attached to the warrant and mailed to the payee. The duplicate claim copy is then given to the bookkeeper.

7. The bookkeeper prepares daily control tapes on each batch of claims. The control tape for the last day of the month reflects the cumulative expenditures for the month. All claim forms are retained until the end of the month and the cumulative control totals are verified. After verification, the claims are filed in claim number sequence in a permanent file.

(b) Payroll

The accounting section prepares semimonthly payrolls and employee earnings and expense distribution registers for approximately 350 employees. The present payroll procedure is as follows:

1. Approximately two weeks before payday, a three-part payroll register is prepared for each division using the prior month's payroll registers as source documents. Any changes, additions, or deletions are noted on these copies by the supervisor prior to typing the new register. All payroll data are typed, such as name, account charge, deductions, and gross and net pay.

2. The three copies are given to the claims clerk who enters total payroll by division in the claim ledger, showing the total amount of payroll and the assigned claim number. The original payroll register is signed by the Chief of Administration and forwarded to the Comptroller. The duplicate and triplicate are held pending receipt and verification of the pay warrants.

3. Any changes affecting the payroll occurring after the register is forwarded to the Comptroller are entered on a short form payroll register. The procedures for processing are the same as for regular payroll registers. Use of the short form register is required because the Comptroller's office requires the regular payroll register to be forwarded approximately two weeks in advance of payment. This requirement should be questioned and arrangements made to submit regular registers closer to the payment date to avoid reporting changes on the short form register.

4. Upon receipt of the pay warrants, the clerks visually check the amounts against the duplicate and triplicate payroll registers. The beginning and ending warrant numbers are entered on the duplicate payroll register and also on the claims ledger. The warrants are then mailed to the employees. The triplicate pay register is filed until the next pay period and the duplicate is given to the bookkeepers.

5. The bookkeepers usually enter the warrant number beside each employee's name on the payroll register, which they claim helps them in posting because the warrant numbers are not always in numerical sequence. The details appearing on the

payroll register are posted to an individual employee distribution ledger. The payroll registers are then given to another bookkeeper who posts the same information to the employee's individual earnings record. The duplicate information posted to separate records appears unnecessary and results in excess clerical costs.

(c) Receipts

The cashier receives cash from the public and bank deposit slips from the Commission field personnel. There are approximately 1,500,000 entries annually arising from sale of approximately 67 different types of licenses, tags, rentals and miscellaneous receipts. The present procedures are as follows:

1. The cashier sorts the day's receipts into income categories, validates each deposit slip received from field offices or requests for license, enters the payee's name and distributes the amount by income classification on one of the several cash receipts journal forms.

2. The cashier periodically writes checks on the 142 field agent amounts, transferring amounts from conservation officers accounts to either a Des Moines bank or the State Treasurer. The cashier has full control over transfer of funds and deposit of revenues. There is no requirement for complete deposit and accounting for funds received each day. We believe this is a serious shortcoming in the present deposit accounting procedure.

3. The only report of total receipts furnished by the cashier appears on a cash receipts summary form at the end of each month. Present procedures are inadequate to indicate if

this total is complete and accurately reflects total receipts for the month. We noted an unnecessary accumulation of undeposited receipts in the cashier's possession.

4. The license reports, sent in from the field, are recapped monthly by type of license by the license supervisor. The summary is given to the cashier to aid in verification of receipts. The receipts entered in the journal seldom balance with the report because of carry-over of deposits between fiscal periods.

(d) Accounting Reports

1. At the month end, the detail expense ledgers are totaled and cross-footed. Totals by classification of expense are determined for each division and posted to financial statement work sheets.

2. All receipts and deposits entered in the cash receipts journal are totaled by income classification such as sales of hunting, fishing and trapping licenses (which involves ten breakdowns) and five monthly and cumulative year-to-date totals. These totals are then transferred to the financial work sheet which is used as a base for typing the financial report which consists of approximately 30 pages of data. The report reflects receipts, expenditures and budget position, current and year-to-date, for each of the three divisions, nine Superintendents and three areas. The preparation of this report requires three full-time clerks approximately fifteen days at the end of each month.

3. The only additional reports furnished are quarterly reports to the state such as IPERS and FICA, and a yearly state employee salary recap report.

PROPOSED PROCEDURES

(a) Claims

We believe that the accounting section can reduce the number of operations involved in the handling of claims and improve the effectiveness of the control over expenditures through the purchase of a bookkeeping machine with a minimum of 17 totals and typewriter keyboard. We believe it is possible to eliminate two bookkeepers, a claims clerk, the claim ledger, and the three-part claim form if the following proposed steps are adopted:

1. Use the seven-part combination "Purchase Order-Vendor Claim Voucher #PB23417SP" which is already in use by other departments of the state.

2. The Accounting Department would receive three copies of the purchase order to provide:

- (a) One copy of the purchase order for the bookkeeper to record the encumbrance. These postings will provide information about the status of each section and project as to the amounts encumbered versus the allocated funds.

The Chief of Administration would be able to appraise proposed purchases or expenditures in relation to availability of funds. Present procedures provide this information only when a claim is paid, which is too late to provide effective control of expenditures under a budgetary program. The installation of this recommendation will also eliminate the need for the "expense ledgers" maintained by the Superintendents.

- (b) Two purchase order copies for filing, in purchase order number sequence, in an "open order" file until matched with the receiving copy of purchase order to verify receipt of the material ordered. These copies would be held until matched with a notarized purchase order copy and the invoice received from the vendor. This file should be checked weekly and any orders and invoices over one week old should be checked for completion.

3. Accounting would process the claim for payment after verifying all details. One notarized copy and the invoice would be sent to the Comptroller for payment. The three remaining purchase order copies would be filed in claim number sequence until matched with the warrant. The warrant number is to be entered only on the permanent file copy. One copy of the purchase order with the warrant is to be mailed to the vendor. The permanent file copy is forwarded to the bookkeeper for posting to the expense ledgers and encumbrance records and then filed in claim number sequence. The third purchase order copy (Receiving) is forwarded to the purchasing section where it is filed in purchase order number sequence by vendor to be used as a guide for future purchasing activities.

(b) Payroll

The proposed payroll procedure contemplates the availability of a bookkeeping machine to enable preparation of multiple records in one writing. These records include the payroll register and employee earnings ledgers:

1. The duplicate payroll register from the preceding pay period should be used as a basis for preparing current payroll records.

2. A new two-part payroll register including the name, account charged, gross pay, deductions and net pay is to be prepared on the bookkeeping machine. Simultaneously, the employee earnings records will be completed. This procedure will eliminate calculations now performed by the accounting supervisor, reduce the payroll register from a three-part to a two-part form, eliminate the claims register, and consolidate two posting and one typing operation into one bookkeeping machine operation.

3. The two-part payroll register will be submitted to the Chief of Administration for approval. The accounting section would separate the copies and forward the original to the Comptroller, retaining the duplicate to match with the pay warrants. Total of net pay on warrants may be verified with the total shown on the duplicate payroll register. The warrants will be distributed and the duplicate payroll register filed until the next pay period.

We suggest that the earnings records do not need to reflect the claim or warrant number. The warrant number series could be entered on the duplicate payroll register which should be sufficient for reference purposes.

The above procedures would eliminate separately prepared records containing identical information, transcribing of claim and warrant numbers, and provide for balancing total payroll dollars by division rather than by individual employee.

(c) Receipts

The following procedure is designed to provide tighter control through daily depositing and accounting for receipts:

1. All receipts and deposit slips must be directed to the cashier who, in turn, will separate them by income classification. The receipts and deposit slips will be machine validated with date and amount and totals determined for each income classification. The same data would be printed on a tape locked in the validating machine; at a set time each day, the supervisor of accounting would remove the tape.

2. The validating control tape would serve as a basis for posting income by classification in the appropriate accounts and balancing the totals with the total of the daily deposit.

3. The cashier must provide for daily deposit of all receipts and balancing of the deposit with the validating machine control tape.

4. Posting of the cash receipts ledgers and journal should be accomplished on the bookkeeping machine.

(d) Monthly Reports

Although we approve of the general format of the monthly reports, it would appear that considerable opportunity exists to reduce the detailed content. This would not impair their usefulness; indeed, it might even improve their effectiveness as control reports for use by Commission personnel. For example, when reporting receipts on the monthly fish and game protection fund report,

it would appear sufficient to show receipts from:

Hunting Licenses
Fishing Licenses
Miscellaneous Receipts

This would eliminate the detailed classification of receipts presently reflected on this report.

In reporting expenditures, it would appear logical to provide for one figure under each area tabulation to reflect personnel cost. Presently, the expense classifications in use on the reports often show the salary cost of only one employee. These and similar changes in the data and method of presentation, combined with the procedural changes suggested, should substantially reduce the clerical effort necessary to accumulate the data, prepare the monthly reports and make them available at an earlier date.

IV - OTHER CONSIDERATIONS

PREPARATION OF BLUEPRINTS

(a) Present Method

At the present time, the engineering section prepares a tracing or plan. If the plan is approved, a draftsman prepares a three-part print request. An employee using a state car travels to the printing company to deliver the tracing. The print is made at a cost approximating four cents per square foot. An engineering section employee then must pick up the finished prints. Several daily trips are often requested to obtain the necessary blueprints. The charges for printing alone approximate \$2,400 per year plus costs of a state car and lost man-hours. Also, more prints are usually made than are finally used.

(b) Proposed Method

We recommend the installation of a desk type copier, similar to the Model 300 Bruning Machine, that will provide prints up to 30 inches wide and any desired length. The cost of the equipment is approximately \$1,000. The advantages are:

1. Savings of approximately three cents per square foot in printing costs.
2. Immediate reproduction.
3. Elimination of three-part order form.
4. Reduction in processing claims in accounting.

5. Availability of this type of equipment for use by other sections for direct reproduction of letters, etc., at less than one cent per copy.

6. Release of state car for other purposes.

7. Ability of machine to make a new tracing from an old copy.

8. Printing only the number of copies needed.

9. Sections of old tracings could be produced on intermediate tracings to save drawing time on standard applications.

(c) Summary

We believe that the cost savings and other intangibles easily justify purchase of this equipment and that this should be done as soon as possible. This recommendation is consistent with the recommendation submitted by Mr. Powers in March, 1956.

We understand that some consideration has been given to the purchase of microfilming equipment. We believe, however, that microfilming of blueprints is presently too costly (approximately \$15,000 for equipment) and that the Commission should await future developments which may make available less costly equipment which would better serve your needs.

ESTABLISHMENT OF AN ADEQUATE FORMS CONTROL SYSTEM

(a) Present Procedure

Presently, there are no formal procedures for the creation and printing of forms. Anyone in the Commission may design and

have printed forms which, in part, may account for the multitude of forms we found in current use.

(b) Proposed Procedure

The Chief of Administration should be responsible for all forms control. It would be his responsibility to analyze the proposed form to first determine if the information could be provided by an existing form. If consolidation is not feasible, then the Chief of Administration must assign a function code, form number and retention period, and approve the design of the form. It is expected that, as this program is implemented, the number of forms can be reduced by elimination or consolidation of forms and those remaining in use will be of improved design and fulfill their functions more effectively.

FEASIBILITY OF USING STANDARD
PURCHASE ORDER FORMS AND
CENTRALIZATION OF PURCHASE ACTIVITIES

(a) Present Procedure

Purchasing activities may be classified into two categories:

1. Field and general office purchasing without use of a purchase order. In these instances, there is no provision for prior approval with consideration of availability of funds.
2. Field and general office purchasing with use of a purchase order. Although encumbrance records are not formally maintained, the issuance of a purchase order requiring administrative approval does provide a degree of control. In these instances, the purchase request must be signed by the Superintendent

and Division Chief. A purchase order is typed and signed by the Superintendent, Division Chief, and Administrative Chief. A three-part claim form is typed by Accounting and also approved by all three. The claim is paid and a claim copy and purchase order copy are filed in the permanent file in the accounting section.

(b) Proposed Procedure

We have discussed purchasing practices with the Chief of Administration and, as a result, are recommending use of the purchase order form already established by the State of Iowa. Use of this purchase order form and revised practices will accomplish the following:

1. All field personnel and general office personnel will be required to submit a purchase requisition when the amount involved exceeds \$10 (includes capital and expense items).

2. Two signatures, those of the Section Superintendent and Division Chief, will be required only on the purchase requisition. Responsibility for holding expenditures within budget limitations would rest upon the Superintendent and Division Chiefs based on records of availability of funds maintained by Accounting.

3. The purchase order would require only the signature of the Chief of Administration and will be distributed as follows:

- (a) Three copies to Accounting; one copy will be given to the bookkeeper to record the encumbrance and then destroyed. The remaining two copies will be filed in an "open order" file by purchase order number.

- (b) Two copies will be sent to the vendor or claimant. He will retain one and return the other signed and notarized to the Accounting Department.
- (c) One copy will be sent to location of delivery to be returned to Accounting when material is received.

The procedures involved with handling purchase orders would be substantially the same as those suggested for handling claims.

Purchasing of materials and supplies for Commission use, like that of any business activity, must be organized with sound procedures, forms and records. However, it also is important to clearly place responsibility for this function if purchasing is to be carried on in the most efficient and economical fashion. This implies that purchasing can best be performed by an individual skilled in this field, located at the Commission office, and acting on the basis of requisitions forwarded to him from the various departments or decentralized field installations.

Some of the more important advantages to be gained from centralization of your purchasing activities are:

1. Centralized purchasing generally leads to lower costs through consolidating purchases and obtaining quantity discounts.
2. Reduction in the number of small orders, consolidation of files and vendor records and greater standardization of purchasing procedures.
3. Standardization of specifications of purchased items and elimination of needless variations in the types of supplies and materials used.

4. Over-all savings in the amount of time expended for the purchasing function.

5. Closer control over expenditures through obligation of funds to be held for payment of the invoice when due.

In consideration of the definite advantages to be obtained from centralization of your purchasing activities, we would suggest that consideration be given to this change in your purchasing practices.

MACHINE BOOKKEEPING

The eleventh biennial report of the State Conservation Commission indicated that the Commission's activities involved nearly \$8,600,000 of expenditures in the two-year period. Accounting for the expenditures under 18 separate funds and for receipts from sales of licenses and miscellaneous other sources, as well as the handling of a vast number of claims, is becoming more difficult under the manual bookkeeping systems presently in effect.

Month and year-to-date totals of income and expenditures, recording of encumbrances, separate accounting for special projects and each major park area, necessitate the handling of the same figures several times. With machine methods, most, if not all, of this duplication can be eliminated by accomplishing these operations in one writing. In addition, machine

posting provides totals automatically as a by-product and will eliminate most of the separate verifying operations required under manual procedures.

In our opinion, mechanization of your accounting activities is indicated and should be implemented in order to provide you with its inherent advantages of speed and flexibility. It offers also the further potential advantage of reducing the personnel and thus the cost of accounting activities.

A complete and detailed presentation of the machine procedures and forms was not considered to be within the scope of this assignment. However, we have commented briefly on some of the possibilities which machine accounting offers.

The principle of combining forms is illustrated on the following page in connection with posting cash receipts. The cash receipts ledger would reflect income for a specific classification and the journal, a by-product of posting the ledger, would show all transactions. The ledger and journal are combined into a single mechanical operation.

Cash Receipt Journal							
Name	Purpose	Date	Ref.	Debit	Balance	Yr. To Date	Proof

Cash Receipts Ledger							
Name	Purpose	Date	Ref.	Debit	Balance	Yr. To Date	Proof

Similar applications of mechanical posting procedures can be employed to advantage in preparation of payroll. The payroll register, employee earnings record, and employee pay statement could be prepared in one writing. This is in contrast to the several separate writings of payroll information now necessary.

Considerable duplication of record keeping can be eliminated by providing for mechanical handling of appropriations, encumbrances, liquidations and expenditures for the various funds and projects.

An inspection of the illustration on the following page, which is suggestive only, will show the posting of ledgers and registers simultaneously. Figures are available to show current allotment, expenditures, unexpended balance, outstanding encumbrances and unencumbered balance. Journal columns for expenditures and for encumbrances placed or liquidated accumulate vertically as figures are posted.

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REGISTER OF ALLOTMENTS, CLAIMS AND DISBURSEMENTS

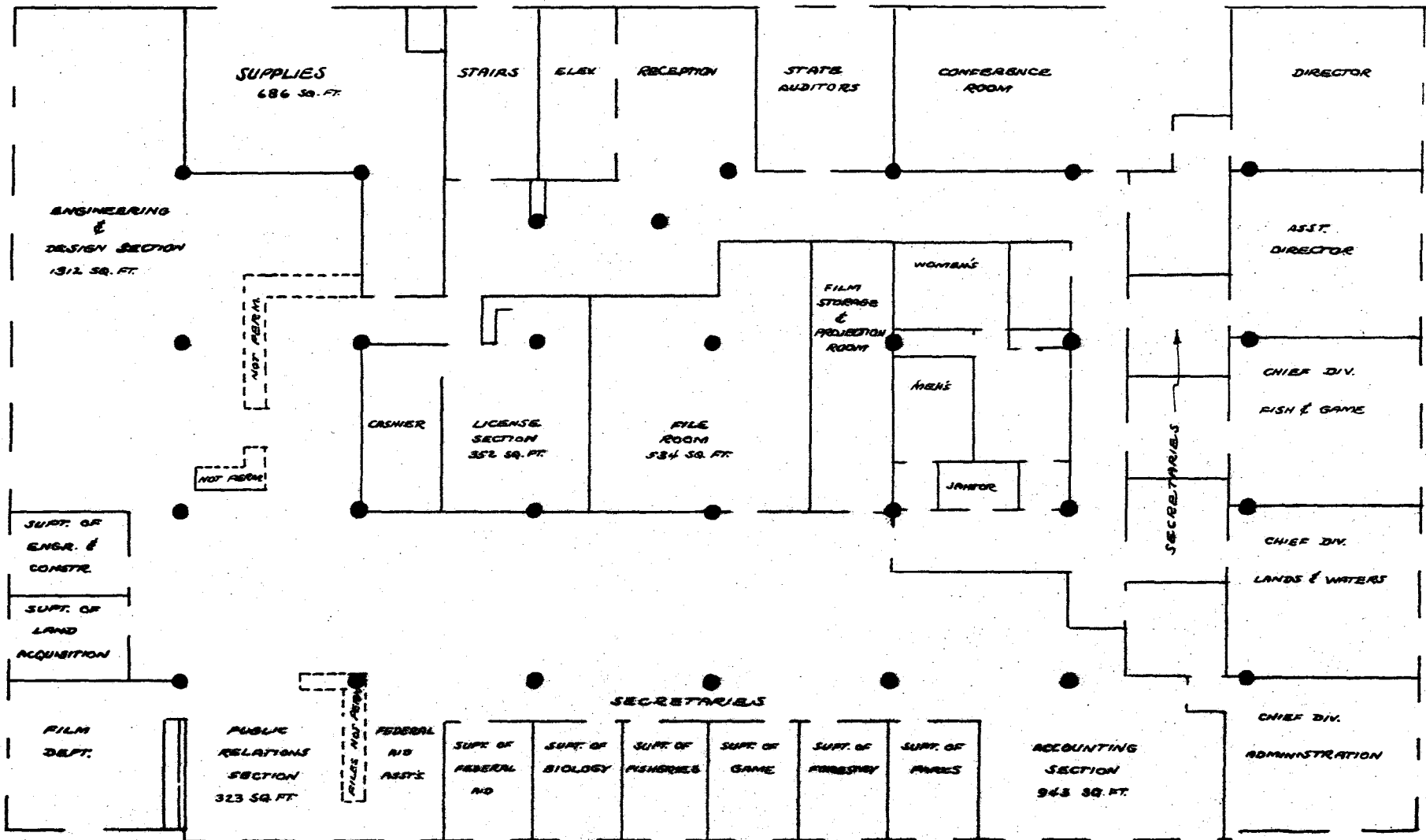
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Date	Object Number	Fund	Explanation	Reference Number		Encumbrances		Expenditure	Allotment Inc. or Dec.	Totals To Date		Balances		
				PO or AO	Claim Number	Placed	Liquidated			Allotment	Expenditures	Unexpended	Outstanding Encumbrances	Unencumbered Balance
				BALANCES FORWARDED										

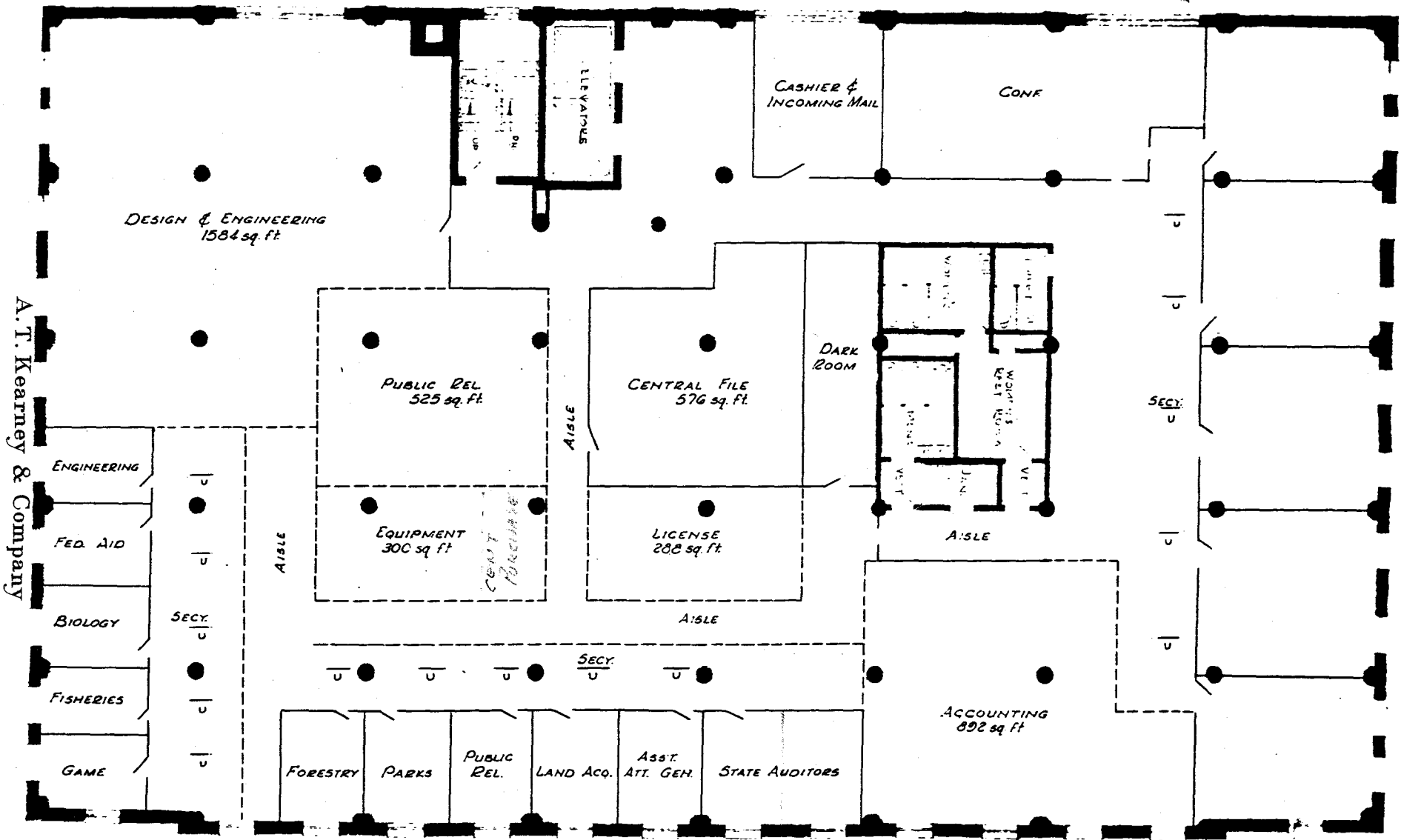
ENCUMBRANCE AND EXPENDITURE LEDGER														
TITLE OF ACCOUNT											Acct. No.		<input type="text"/>	
(Project)			(Object)			(Department)					Sheet No.			
Date	Object Number	Fund	Explanation	Reference Number		Encumbrances		Expenditure	Allotment Inc. or Dec.	TOTALS TO DATE		BALANCES		
				PO or AO	Claim Number	Placed	Liquidated			Allotment	Expenditures	Unexpended	Outstanding Encumbrances	Unencumbered Balance
				BALANCE FORWARDED										

A revised accounting system involving the use of a book-keeping machine (such as an NCR or a Burroughs 16-to-19-total machine with typewriter keyboard) and forms similar to those illustrated provides typical advantages, such as these:

1. Complete general ledger information.
2. Control over all funds received and balances on each fund.
3. Revenue by division and by source.
4. Expenditure by fund, project and division.
5. By project, summaries of total allotments, encumbrances, expenditures, unexpended balances, outstanding encumbrances and unencumbered allotment balances.
6. Expenditures by classification for each division or project.
7. Reduced possibility of error.
8. Information on a current basis.
9. Preparation of monthly financial reports on machine.



IOWA CONSERVATION COMMISSION
PRESENT OFFICE LAYOUT



IOWA CONSERVATION COMMISSION

PROPOSED OFFICE LAYOUT

FUNCTIONAL CODE LIST

20 Series
Purchasing or Procurement

File Location
State Area-
County Sup't.

Code

20	Includes all purchase requisitions.	x	x
21	Forms or correspondence used to expedite orders placed on vendors	x	
22	Forms or correspondence used in obtaining bids or quotations	x	
24	General purchase history records, catalogs and vendor status	x	

FUNCTIONAL CODE LIST

30 Series
Personnel

File Location
State Area-
County Sup't.

Code

- | | | |
|----|---|---|
| 30 | Includes forms or correspondence used in requesting, recruiting, hiring and placement of personnel. | x |
| 31 | Includes forms or correspondence describing job functions, appraising performance, salary reviews, commendations and corrective actions | x |
| 32 | All forms, correspondence and literature used in promoting safety of employees, including accident reports | x |
| 33 | All correspondence used in promoting, demoting, transferring and terminating commission personnel | x |

FUNCTIONAL CODE LIST

50 Series
Accounting

File Location
Area-
State County Sup't.

Code

50	All forms and letters used in payroll activities	x
51	Includes all forms used in paying expense claims and part-time help, including records used in recording distribution	x
52	All forms used in making financial commitments, such as purchase orders, including records used in recording encumbrances and warrants against such authorization	x
53	All forms and reports used to record cash receipts, deposits, withdrawals and refunds	x
54	Monthly and yearly financial reports	x

IOWA CONSERVATION COMMISSION

FUNCTION CODE, FORM NUMBER
AND RETENTION ASSIGNMENT

<u>Function Code</u>	<u>Form Title</u>	<u>Number of Copies</u>	<u>Form No.</u>	<u>Retention Assignment</u>
00	Hunting Laws	1	01	
00	Memoranda	1	02	
00	Soil Bank Budget	1	03	
01	Order of Condemnation	1	01	
02	Request for Travel Authority	1	01	
03	Summons	3	01	
03	Violation Report	1	02	
03	Report of Arrests	1	03	
03	Trapping School Report	1	04	
03	Birds and Animals Received at Game Farm for Exhibits	1	05	
03	Summary of Deer Kill	1	06	
03	Chick Consignments	1	07	
03	Rearing and Stocking Report	1	08	
03	Summary of Rearing & Stocking	1	09	
03	Bounty Report by County	1	10	
03	Yearly Summary Bounty Report	1	11	

A.T. Kearney & Company

Function Code	Form Title	Number of Copies	Form No.	Retention Assignment
03	Game Farm Monthly Inventory	2	12	
03	Shooting Preserve Annual Report	1	13	
03	Sales Data Summary	1	14	
03	Summary of Work Activities	1	15	
03	Fishing, Hunting & Trapping License Report	3	16	
03	License Report	3	17	
03	Special Non-Resident License Sales Report	3	18	
03	Special Trapping License Sales Report	3	19	
03	Cash Receipts Report	4	20	
03	Sand Tonnage Report	1	21	
03	Prison Labor Work Report	3	22	
03	Operation Monthly Report	1	23	
04	Monthly Flight Report	2	01	
04	Conservation Officer's Monthly Report	1	02	
04	Persons Attending Trapping School	1	03	
04	Monthly Report (Game)	1	04	
04	Deer Kill Report	1	05	
04	Officer Deer Kill Report	1	06	
04	Hatching Record	1	07	
04	Quail Production Report	1	08	
04	Pheasant Rearing and Stocking	1	09	
04	Pheasant Production Report	1	10	
04	Game Bird Release Data	1	11	
04	Shooting Preserve Monthly Inspection Report	1	12	
04	Shooting Preserve Report of Birds Released	1	13	
04	Shooting Preserve Daily Register	1	14	
04	Fish Distribution Report Weekly	1	15	
04	Rough Fish Removal	1	16	
04	Fish Distribution Report	2	17	
04	Fish Distribution	1	18	
04	Waterfoul Bag Checks	1	19	

Function Code	Form Title	Number of Copies	Form No.	Retention Assignment
04	Catch Record	1	20	
04	Fish Tag Returns	1	21	
04	Sales Data	1	22	
04	Crowing Cock Count	1	23	
04	Duck Hunting Success	1	24	
04	Pheasant Hunting Success	1	25	
04	Trapping Data	1	26	
04	Farmer Aid	1	27	
04	Weed Spray Record	1	28	
04	Weekly Construction Progress Report	1	29	
04	Motor Fuel Distribution Record	3	30	
04	Monthly Report on Bulk Gas	1	31	
04	Motor Fuel Disbursements	1	32	
04	Record of Expenditures	1	33	
04	Monthly Boat License Account Report	1	34	
04	Concessionaire Monthly Report	1	35	
04	Vandalism Report	1	36	
04	Fire Reports	1	37	
05	Information Form	1	01	
05	Affidavit for Search Warrant	1	02	
05	Area Work Crew Daily Report	1	03	
05	Monthly Work Summary	1	04	
05	Daily Report Form	1	05	
05	Landholder and Address	1	06	
05	Area Inspection Report	2	07	
05	Game Farm Monthly Inventory (Special)	2	08	
05	Station Vehicle Accounting Report Monthly	1	09	
05	Fisheries Shop Report	1	10	
05	Employee Itinerary Weekly	1	11	
05	General Vehicle Inspection	1	12	
05	Water Analysis	2	13	
05	Federal Aid Equipment Inventory	1	14	
05	Personal Data Memo	1	15	
05	Mast Yield Study	1	16	
05	Cultivated Crops	1	33	
05	Area Inspection	1	17	
05	Statement of Force Account (Materials)	1	18	
05	Statement of Force Account (Labor)	1	19	
05	Assignment Sheet	1	10	
05	Route Slip	1	11	



STATE LIBRARY OF IOWA



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