

*Taken From F G Hough's  
primer*

CHAPTER V  
FIELD COSTKEEPING  
STANDARD METHODS FOR CONTROL OF FIELD ACCOUNTS BY  
THE PROJECT OFFICE

1. A control of the accounts of each field camp will be maintained in the project books, by which it will be shown whether all charges against the work or accounts of a camp have been accounted for in its cost book.

Field Cost Adjustment Accounts.

2. The bookkeeper will keep a field cost adjustment account (G.L.85) with each field camp. All items affecting the accounts of a camp will be charged to its adjustment account, which will be credited at the end of the month with amounts taken up in the cost book, as shown by the general summary, which is, in reality, a balance sheet of the cost book. These general summaries will be entered direct in the general ledger, or in the project office classification book, if one is used for assembling the general ledger entries. But in either case, the adjustment accounts (G.L.85) in the general ledger will show details as illustrated in paragraph 4 below.

3. The field cost adjustment accounts (G.L.85) will be arranged with three columns for each month—debit, credit and balance. The different classes of charges will be listed at the left of the page, so that the amounts entered from the general books will appear opposite the amounts taken up by



the camp for each class of charges. Differences will thus be located automatically, and a permanent record of them will be kept. Entries for succeeding months will show whether or not the differences have been adjusted in the field accounts.

4. Following shows the form of the cost adjustment account, which will be kept on cost ledger sheets until special forms have been provided:

C.L.85

Field Cost Adjustment Account  
Camp 2

		Month of June 1920		
Items		Dr	Cr	Balance
1	Labor earnings	4,275.00	4,271.50	3.50
2	Labor deductions	987.00	989.00	2.00
3	Liability register	1,276.00	1,125.00	151.00
4	Cash collections	127.50	127.50	-----
5	Requisitions:-			
	Storehouse A	1,125.00		
	" B	425.12		
	" C	814.13		
	TOTAL	2,364.25	2,150.00	214.25
6	Transfers			
	Fr. Camp No. 1	260.00		
	" " " 2			
	" " " 3	20.00		
	" " " 4	11.00		
	" " " 5			
	" " " 6			
	" " " 7	15.00		
	" " " 8			
	" " " 9			
	" " " 10	15.00		
	Total	321.00	321.00	-----
7				
8				
9				
10	Cost accounts	7,367.50	7,367.50	-----
	Totals-----	16,718.25	16,351.50	366.75



Following is a brief statement of the method of handling each class of charges in the project office.

5. Labor. After the timebook of a camp has been checked and all corrections made by the voucher clerk, enter in the general ledger (or classification book), direct from the timebook as follows:-

Dr. G.L. 85, Field cost adjustment a/c (item 1)  
Cr. G.L. 122, Unpaid labor  
with the amount earned,  
and

Dr. G.L. 122, Unpaid labor  
Cr. G.L. 85, Field cost adjustment a/c (item 2)  
with the total of timebook deductions

From the general summary for the camp, credit G.L. 85, (item 1) with the total labor earnings, and debit G.L. 85 (item 2) with the total deductions taken up in the cost book. If there are differences they should be for corrections made by the voucher clerk or discrepancies in the field accounts.

6. The amount of invoices, freight and express, passenger transportation, contract earnings, and all other items from the liability register, will be debited to G.L. 85 (item 3) in one amount for each camp. Field camps are required to take up in abstract No. 2 all charges from invoices, notices of bills of lading and transportation requests, and other items that come thru the liability register of the project office. The total of abstract No. 2 is shown under item 2 of the general summary from which the bookkeeper will credit G.L. 85 (item 3). If the amount debited to a camp from the liability



register differs from the amount taken up in the field summary, the items making up the differences will be located by checking abstract No. 2 against the liability register. A check mark will be placed opposite each item on which these two records agree so that the difference may be analyzed from the unchecked items.

7. Cash Collections. - A column will be added to the cash book for entering cash reports from field camps. From this column the bookkeeper will debit accounts with the different employees responsible (G.L. 2) and credit the field cost adjustment account (G.L. 85, item 4) with the total cash collections reported. From the general summary (item 3) G.L. 85 (item 4) for each camp will be debited with the total cash collections taken up in the cost book during the month.

8. Requisitions from storehouses. - Debits to the accounts under G.L. 85 for requisitions (item 5) will come from abstracts of requisitions (form 21) of the different storehouses. (See Chapter 11, paragraph 10. From the general summary (item 6) of each camp, G.L. 85 (item 5) will be credited with the total of storehouse requisitions taken up that month. If the debit and credit for requisitions differ in amount, the difference will be analyzed by checking the field camp's abstract No. 4 against the abstracts of requisitions issued by the storehouses.



9. Transfers.- The debits for transfers issued will be posted to the adjustment accounts (G.L. 85, item 6) of the camps charged from the general summaries of the camps issuing the transfers and from the voucher register or other source from which direct charges are made in the project office to the various camps. (See Chapter IV, paragraph 50). Thus, for example, there will be a debit entry under item 6, G.L. 85, for camp 2, from the general summary of each camp by which a transfer was issued to camp 2, during the month. The debits under item 6 will be totaled, and opposite this total will be entered the credit for transfers received and taken up by that camp during the month. This entry will come from item 8 of the general summary. Items of difference may be located by checking the abstracts of transfers issued by each camp against the abstracts of transfers received by other camps.

10. Cost Accounts. G.L. 85, item 10, for each camp will be debited with the total of its cost accounts from the general summary (item 30). After the costkeeper in the project office has distributed the overhead clearing accounts and made other necessary adjustments between the cost accounts, he will furnish the bookkeeper with a journal voucher crediting the various adjustment accounts (G.L. 85) and debiting the proper accounts of the cost group (G.L. 60, 61, 64, 65, 90, 93, 94, etc.) with the costs for the month.



11. Other items of the general summaries will be posted therefrom direct to the general ledger accounts affected. Items 4 and 5 (coupons and meal tickets redeemed), will be debited to G.L. 127 and 128 respectively; item 9 (uncollected accounts and deductions from contractors) will be debited to the appropriate accounts in group III (accounts receivable) or Group VII (accounts payable); item 10 (war tax on railroad fares) will be credited to the special revenue account under G.L. 76 or 106; item 11 (rent of permanent buildings) will be credited to G.L. 70 or 100; items 12 and 13 (coupons and meal tickets issued) will be credited to G.L. 127 and 128 respectively; the debit and credit of item 16 (stores issued and not used) will be posted to G.L. 10; and the debits and credits of items 19 to 26 (field inventory accounts) will be posted to the corresponding accounts under group II (inventories of stock on hand).

12. After the books have been closed and the reports forwarded, the bookkeeper should analyze all differences in the field cost adjustment accounts, sending correction notices to the field camps, and making inquiries concerning any invoices, requisitions, or transfers which apparently should have been taken up in the previous month's business. It will be advisable to note in the adjustment accounts (G.L. 85) under each month's business the numbers of correction notices issued to eliminate differences for that month, also to list there other items of difference, such as the number and amount



of each invoice or other paper charged to the camp but not taken up during that month.

For example, a statement of this sort for the illustration given in paragraph 4 might be as follows:-

Correction Notice No. 32  
(Items 1 and 2)

Net credit	\$1.50
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June invoices not taken up by Camp:-

No. 3465	\$100.00	
No. 3517	<u>51.00</u>	\$151.00

June requisitions not taken up by Camp:

No. 329 A	\$ 34.00	
876 B	95.00	
1391 C	<u>85.25</u>	<u>\$214.25</u>

Total difference account for - - - -	\$366. <sup>75</sup> <del>50</del>
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13. All entries and adjustments made in field cost books after they are received in the project office should be supported by properly approved journal vouchers. Journal vouchers making adjustments in the accounts as submitted by field offices should be approved by the field officers, and they should be furnished a copy of each.

Supervision by the Chief Clerk

14. It will be necessary for the project chief clerk to constantly supervise and check the work of assembling field costs and the handling of all field accounts, especially plant clearing, reimbursable and field inventory accounts.

15. Each field camp should be inspected by him once a month, or oftener. Before visiting a camp, he should look over its inventory and clearing accounts, also its cost adjustment account, making note of any item apparently needing



attention. A list of the balances in the field inventory accounts should be taken to the camp and compared with the totals of stock card balances. Or, if there is no adding machine at the camp, the cards should be brought to the project office at least once every three months and checked with ledger balances.

16. Field clerks should be required to check the cards by actual count or measure of the materials on hand. This should be done from time to time during the month, taking a certain number of cards each week. The chief clerk should see that this is done, and should require a written report of each check to be sent to the project office on form 13 (report of inventory check). The monthly reports of field inventory accounts required by paragraph 20 of Chapter IV should be checked with the corresponding inventory accounts of the general ledger and all discrepancies found should be brought to the attention of the field offices where appropriate corrections shall be made.

17. When so directed by the project manager, the chief clerk will supervise mess, hospital and mercantile store operations and when such operations are under active charge of the field forces close cooperation of the chief clerk and clerical force is expected. It will be desirable



for camp inventories to be taken occasionally by a representative of the chief clerk. The handling of cash and coupons, and the methods of timekeeping and all other clerical work should be examined frequently by the chief clerk upon whose suggestion they should be modified or reformed so as to comply fully with all general and project regulations.