

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
WASHINGTON

July 14, 1939



To All Local Housing Authorities:

In these initial stages of the housing movement, many local housing authorities have written to us stating that membership in national housing associations has been of great practical value and benefit to them through the exchange of ideas and the pooling of thought on their common problems. We are also aware that some local authorities have not yet been able to make arrangements to obtain local funds which would be available for expenses such as the payment of dues to organizations of this character.

With these facts in mind, we have reconsidered our former policy and have determined that for the period ending July 1, 1940, the following total charges to development costs of the low-rent housing projects undertaken by a local authority may be permitted for dues of such an authority to national housing organizations:

In cities of under 100,000	\$50.00
100,000 to 250,000	100.00
250,000 to 500,000	150.00
500,000 up	200.00

This schedule contemplates only dues of the Authority itself and no individual dues of members or employees of an authority may be charged to a project.

It is believed that this scale will allow your Authority to defray from development funds the cost of membership for the next year in one or several housing organizations to which you may deem it desirable to belong. However, we feel that after the initial stages of your program such charges cannot be considered so essential to your projects as to be charged to their development cost. For that reason, other arrangements will have to be made by your Authority to care for such expenses after July 1, 1940. Undoubtedly, you are already making plans to obtain local funds for future expenses of a character which do not relate to specific projects.

We trust that this authorization will facilitate the work of your Authority and that through membership in such organizations as you choose to join, you will be aided in constructing and operating your low-rent housing projects in an efficient and economical manner.

Faithfully yours,

NATHAN STRAUS,  
Administrator.

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FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY

WASHINGTON

September 11, 1939



To All Local Housing Authorities:

We have been negotiating for some time in an effort to obtain lower rates for fidelity bonds and are pleased to advise that arrangements have been concluded making it possible for local authorities to obtain fidelity bonds covering Development Funds at considerably lower premium rates. To obtain these rates, it will be necessary to use the attached form of Position Fidelity Bond covering Development Fund accounts for USHA-aided projects (Form No. USHA-760).

This new form of fidelity bond has been prepared in collaboration with the Towner Rating Bureau, Inc., which establishes premium rates on fidelity bonds for most of the fidelity bond underwriting companies in the United States. The premium rate established by the Towner Rating Bureau, Inc., for this form of bond is \$1.00 per \$1,000 of the aggregate coverage listed in the Schedule forming a part of the bond for each of the positions of Check-Signer, Countersigner and Voucher Certifier. In order to obtain this premium rate, it is necessary for local housing authorities to have coverage in the amounts set forth in the attached Instructions which accompany this form of bond. As more fully explained in the attached Instructions, the number of persons filling the position of Check-Signer is to be considered as ONE even though alternates may be empowered to sign checks in the event the designated Check-Signer is not available to sign checks. The same rule applies to the positions of Countersigner and Voucher Certifier.

If this new form of bond is used, it is believed that local housing authorities will only be required to pay a premium of \$1.00 per \$1,000 of coverage for the position of Check-Signer and \$1.00 per \$1,000 of coverage for the position of Countersigner. It will not be necessary to obtain coverage for the position of Voucher Certifier if the person occupying this position is also occupying the position of Check-Signer or Countersigner. In short, the total premium charge to most local authorities using this form of bond would be \$2.00 per \$1,000 of coverage for fidelity bonds covering two positions in connection with Development Fund accounts for USHA-aided projects. Most

local housing authorities have obtained coverage to protect Development Fund accounts under Name Fidelity Schedule Bond, Form No. USHA-573, at a premium rate of \$2.50 per \$1,000 of coverage for each person bonded, which meant a total cost of \$10.00 per \$1,000 of coverage in the frequent instances where four persons were bonded.

In the interest of economy, the USHA recommends that all local housing authorities utilize the attached Position Fidelity Bond, Form No. USHA-760, instead of Bond Form No. USHA-573, or any other form of fidelity bond, for the protection of Development Fund accounts. The use by local authorities of Position Fidelity Bond Form No. USHA-760, will satisfy any USHA contract requirements relating to fidelity bond coverage to protect Development Funds.

As for fidelity bond coverage to protect funds of local housing authorities which are not part of Development Funds and which are derived from the operation of USHA-aided projects, it is recommended that local authorities use Name Fidelity Schedule Bond, Form No. USHA-573. The premium rate established by the Towner Rating Bureau of \$2.50 per \$1,000 of coverage for each person bonded under Name Fidelity Schedule Bond, Form No. USHA-573, has not yet been changed. We shall endeavor to have a lower rate established for bonds relating to funds derived from the operation of projects.

  
NATHAN STRAUS,  
Administrator.

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
WASHINGTON



October, 1939

To Local Housing Authorities:

Transmitted herewith is a series of six unit plan studies for your study and reference. These are intended as suggestions, and in no instance are to be considered as mandatory or "required" plans. Since they are typical units which embody economically the standards of room arrangement, size, and amenity set by the USHA, the local authorities and their architects may use them as a basis for developing their own plans, but must give careful attention to varying local factors, requirements and preferences.

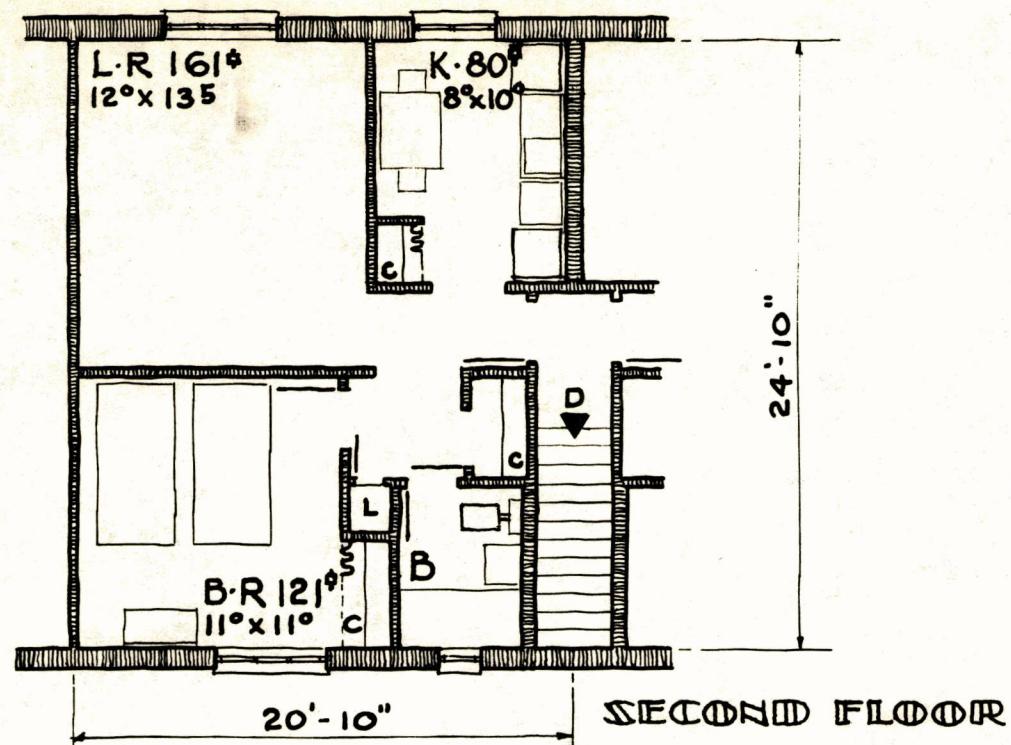
These plan studies will be followed by other types which will be issued serially as they are developed, and are designed for loose-leaf filing. They do not supersede earlier plans published in loose-leaf form which embrace other dwelling types. Any plan studies issued which supersede earlier editions will be so marked.

Faithfully yours,

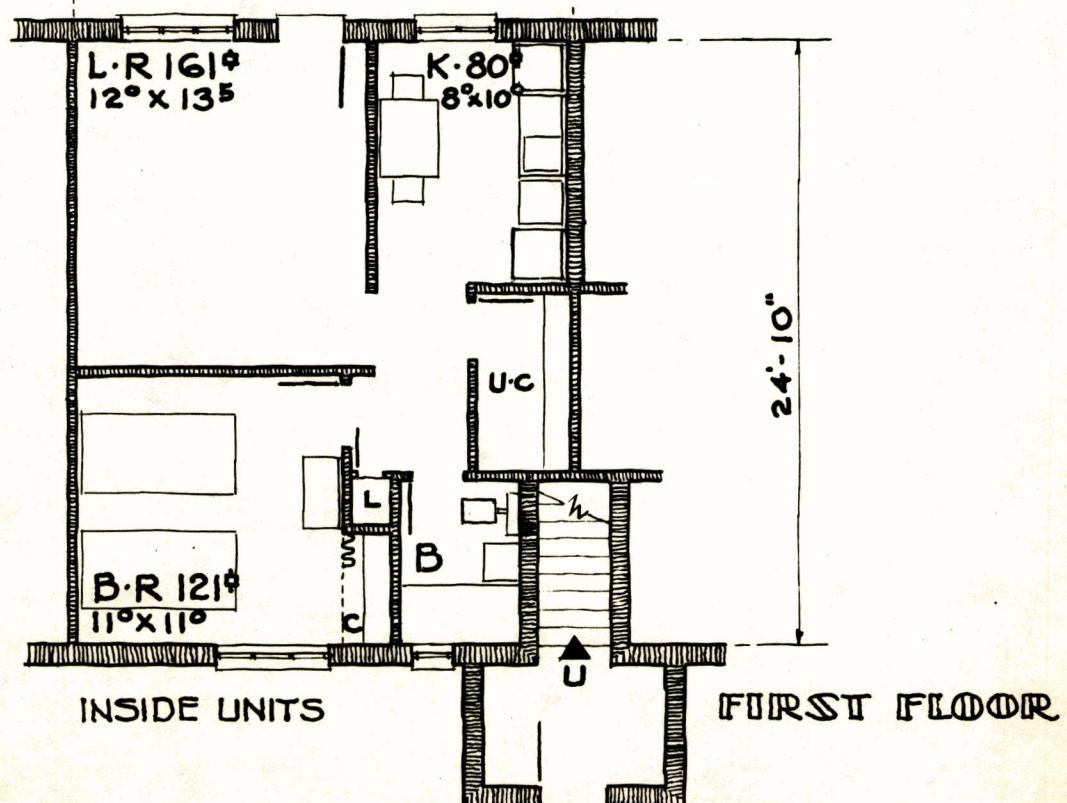
A handwritten signature in black ink, appearing to read 'Nathan Straus'.

NATHAN STRAUS,  
Administrator.

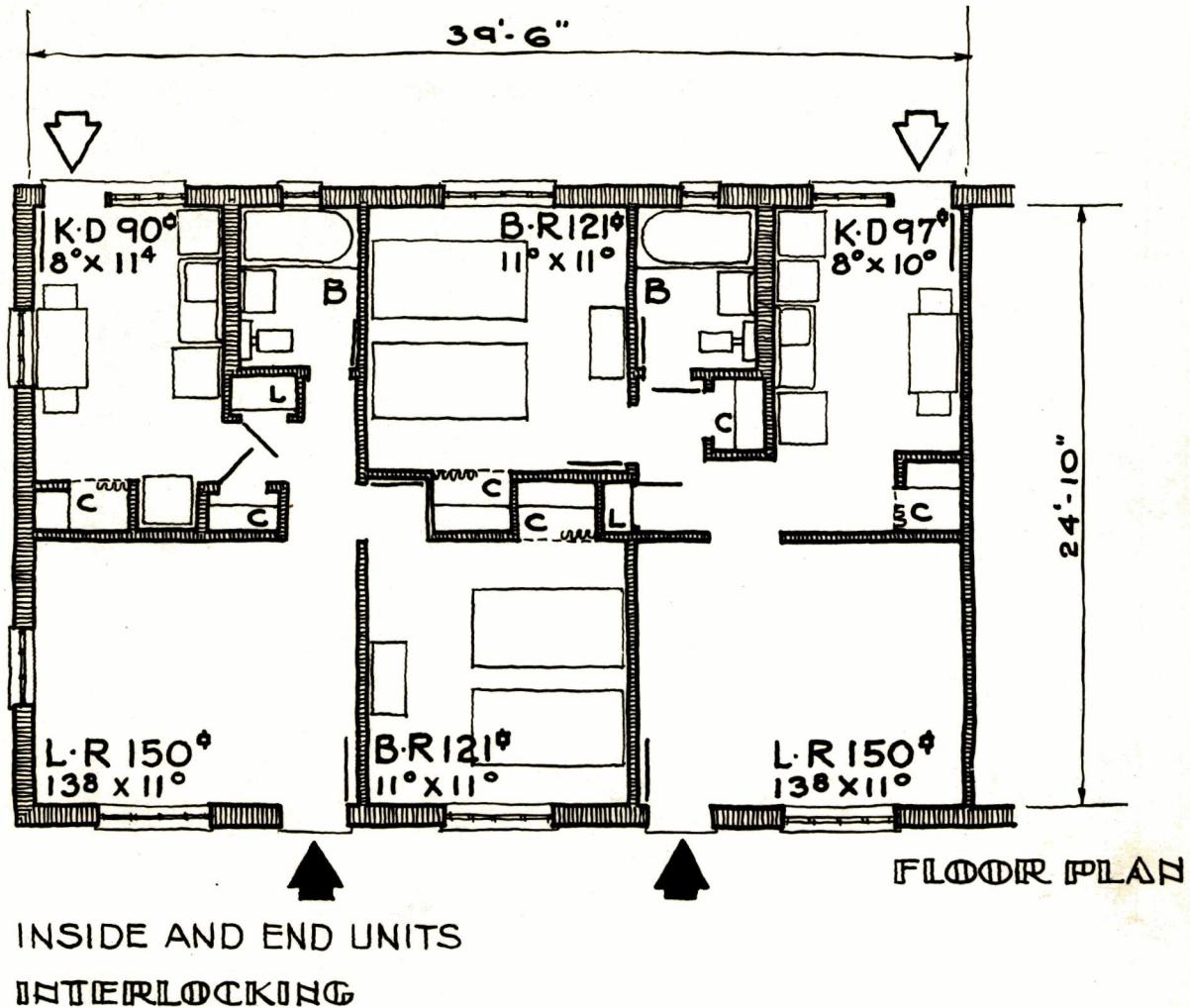
• UNITED • STATES • HOUSING • AUTHORITY •



SECOND FLOOR

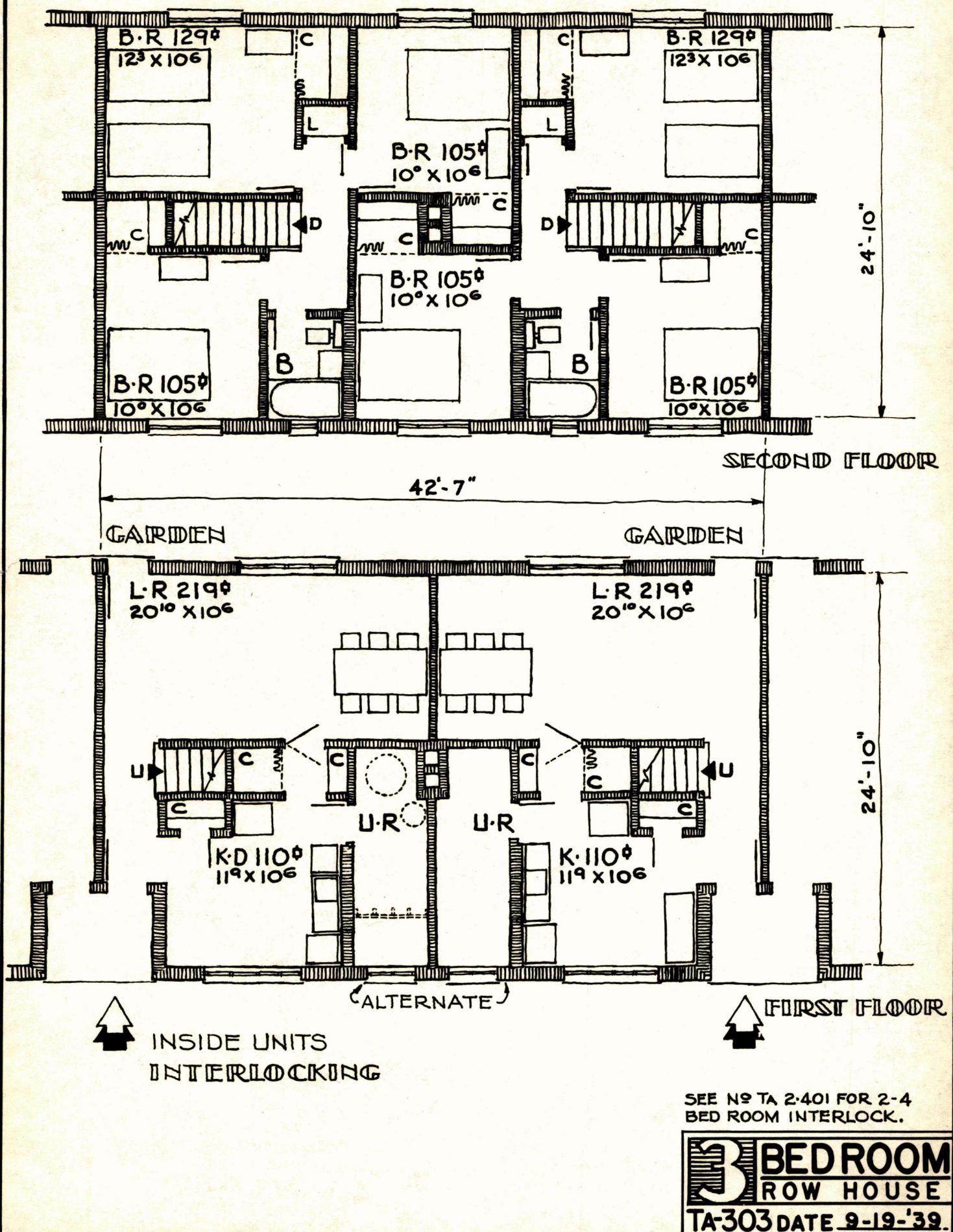


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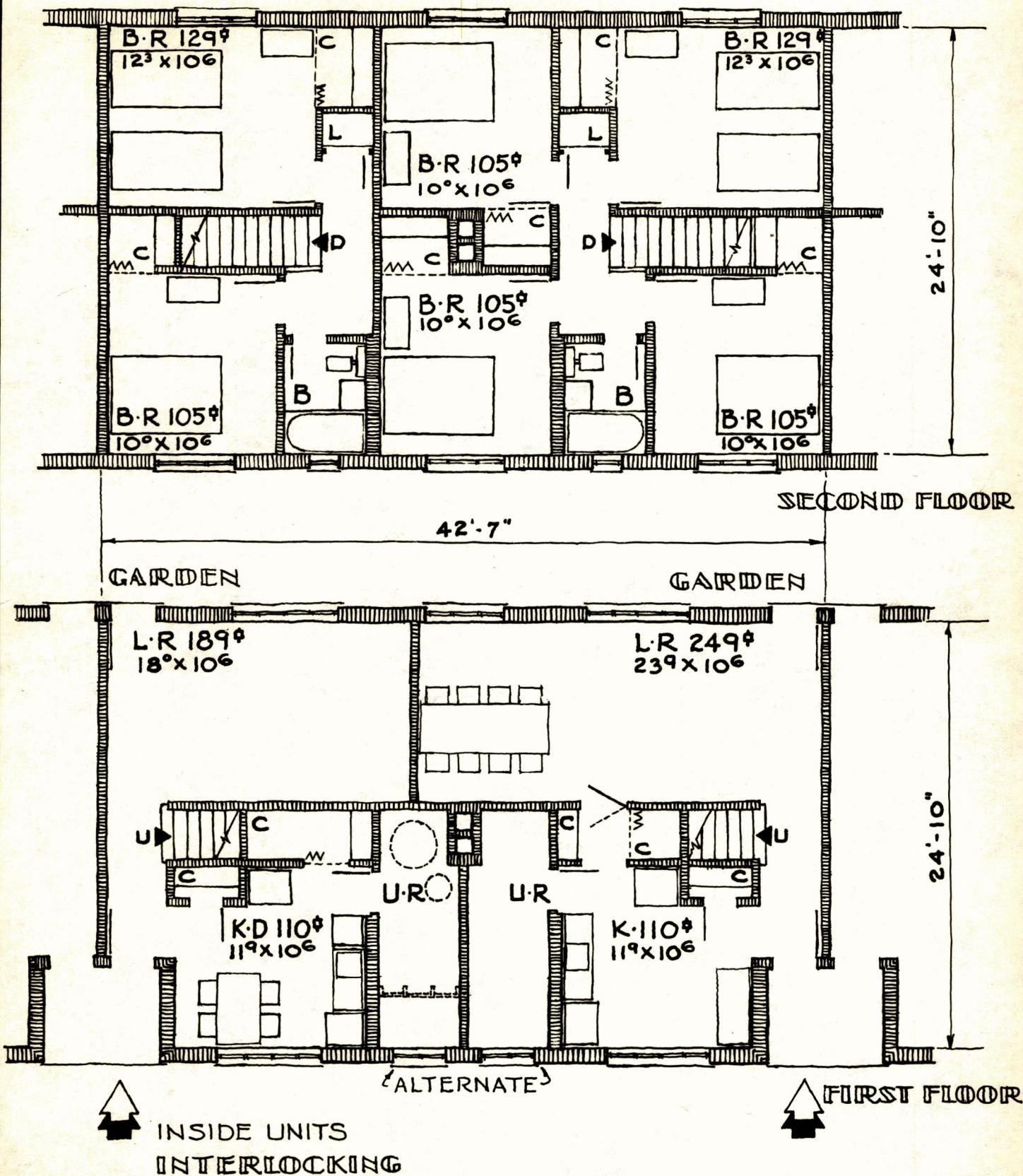


1 BED ROOM  
ROW HOUSE  
TA-118 DATE 9-19-'39

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# •UNITED • STATES • HOUSING • AUTHORITY•

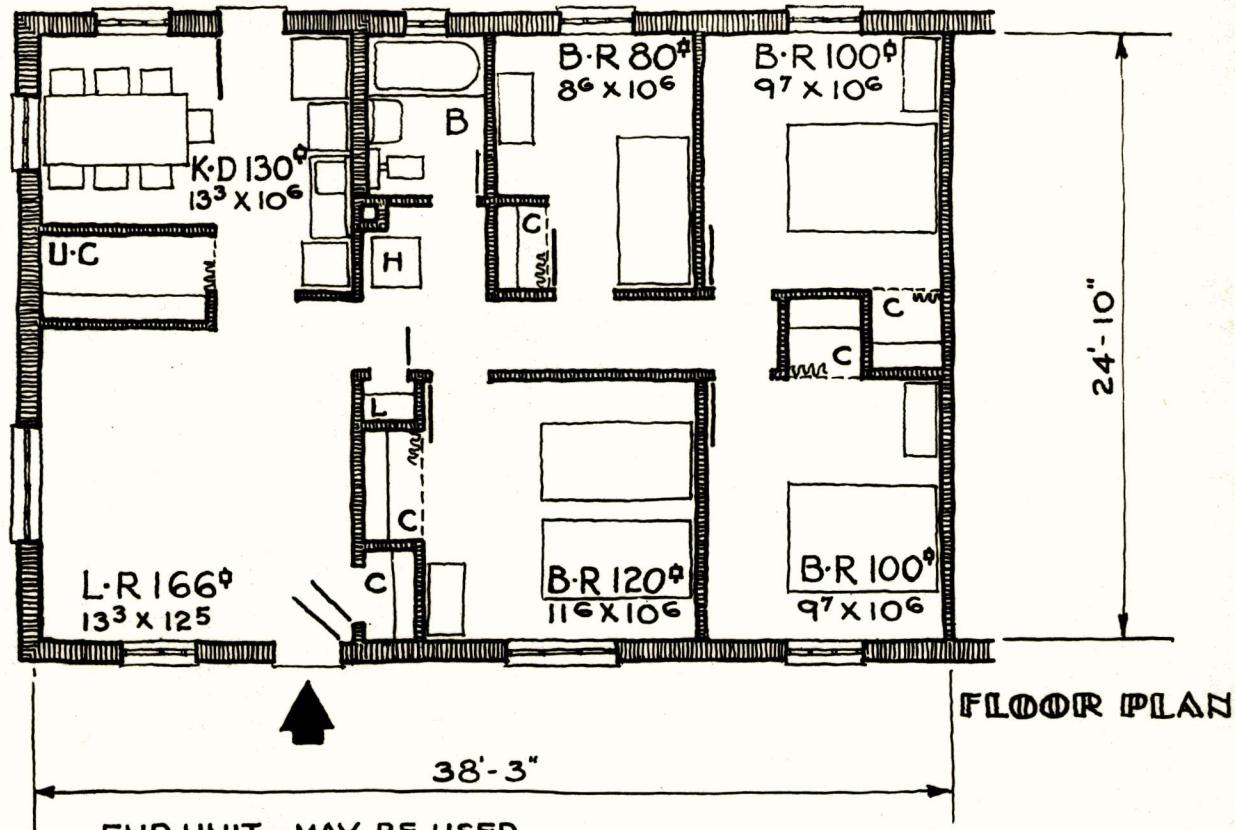


INSIDE UNITS  
INTERLOCKING

SEE NO TA 303 FOR 3-3 BED  
ROOM INTERLOCK - SAME PLAN.

**2-4 BEDROOM  
ROW HOUSE**  
TA-2-401 DATE 9-19-'39

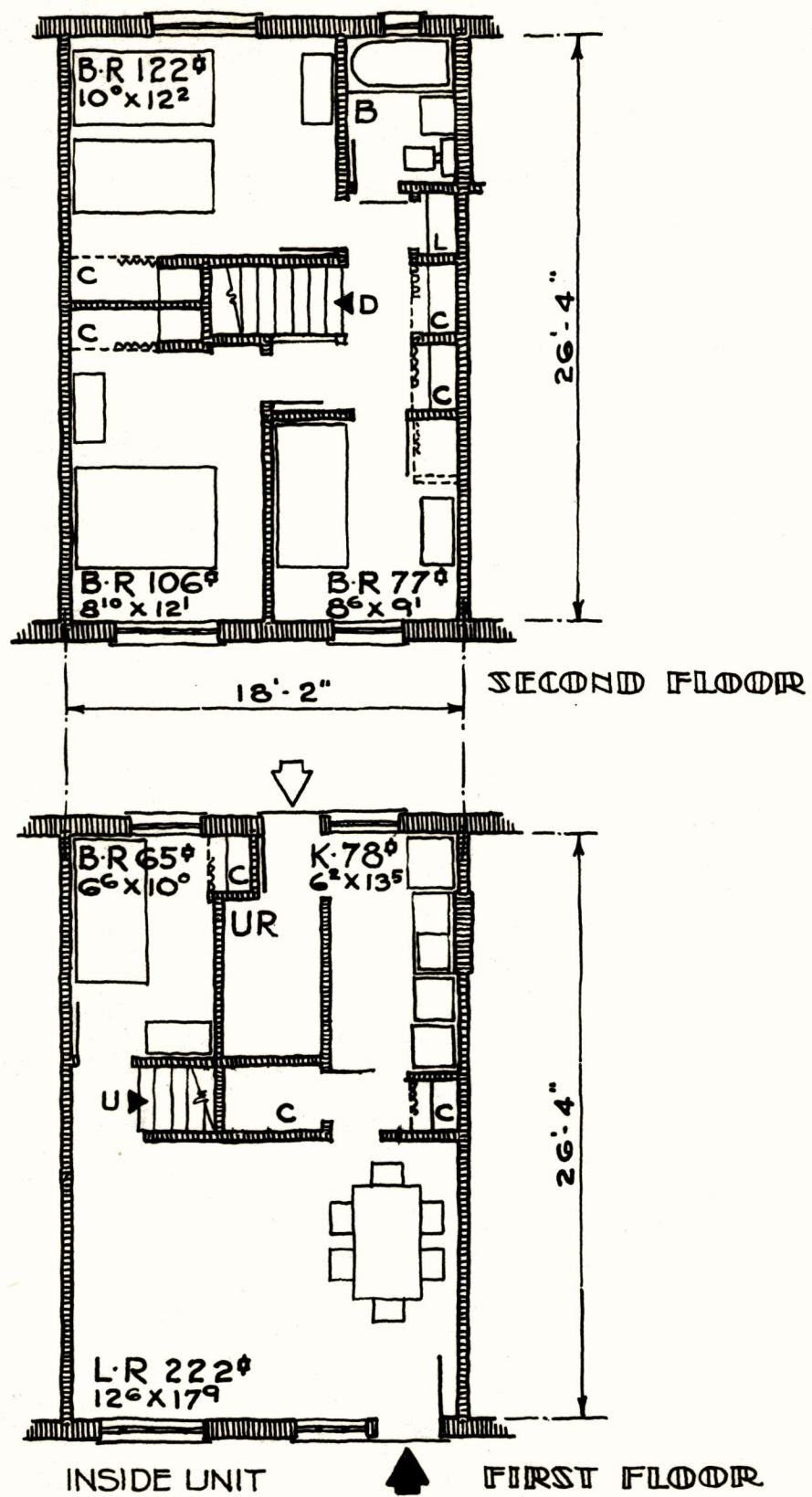
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PLOT PLAN  
SUGGESTED

4 BEDROOM  
ROW HOUSE  
TA404 DATE 9-19-'39

• UNITED • STATES • HOUSING • AUTHORITY •



4 BED ROOM  
ROW HOUSE  
TA-406 DATE 9-19-'39

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

February 10, 1940

To all Local Housing Authorities:

Attached hereto is a copy of an opinion rendered by the Treasury Department to the effect that deeds conveying real estate to local housing authorities are exempt from the stamp tax levied by Schedule A-8, of Title VIII, of the Revenue Act of 1926, as added by Section 725 of the Revenue Act of 1932.

You will note that this opinion makes it unnecessary for landowners conveying real estate to local housing authorities to pay the stamp tax ordinarily levied upon the transfer of real estate.

Local housing authorities should make this letter and opinion available to attorneys or title companies engaged to handle land closings.

Very sincerely yours,

*Leon H. Keyserling*

LEON H. KEYSERLING,  
Deputy Administrator and  
Acting General Counsel.

Attachment

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
WASHINGTON  
March, 1940

To Local Housing Authorities:

Transmitted herewith in the series of suggested unit plans, is a sketch plan of a "Quatrefoil" unit together with suggested site plans in which this quadruple unit is used, grouped with others of the row type. These plans are intended for reference and as suggestions for a dwelling unit treatment of somewhat varied type, but are in no sense to be considered as mandatory for use in a project design.

This quatrefoil unit offers not only greater variety and interest of exterior appearance and arrangement than the row plan, but good light and cross ventilation within the dwelling, maximum concentration of heating and plumbing equipment, and considerable flexibility of unit sizes. All of the dwellings in these plans have cross ventilation, and the added feature of through ventilation in the Living Rooms, also, if desired, in the principal bedrooms.

Study of site plans for the Quatrefoil Plan indicates that the plan makes possible considerable added livability to the project. There is great variety of aspect from the houses, and in general the views from the windows command a greater amount of space than is seen from the windows of the ordinary row-house layout. Good upkeep of the yards will be necessary, but this should be easier to attain because of the advantage gained with no maintenance needed for "back" yards. All yards are visible to all passers-by, and therefore will be considered as "front" yards.

In most arrangements the quatrefoil units are adaptable to a variety of orientations.

An analysis of bare structure costs indicate that the quatrefoil plan costs slightly more than the comparable row-plan. Analysis of total development costs, however, shows them to be closely parallel in cost to the row plan arrangement.

Sincerely yours,

*Jacob Crane*  
JACOB CRANE,  
Assistant Administrator.

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

March 20, 1940

To All Local Authorities:

May I call your attention to the enclosed copy of our latest publication, "What Does the Housing Program Cost?" Prepared as a result of the persistent requests of local housing authorities for a detailed explanation of the cost factors of public housing, this pamphlet is designed to clear the air of any confusion and misunderstanding. I believe it is clear and convincing.

You will undoubtedly find the pamphlet useful in presenting your program to the public. Its contents can be easily adapted to your press releases, radio programs, speeches, pamphlets, etc. The story of the Smith family, for example, can be appropriately localized in terms of your community.

A reasonable number of additional copies of the pamphlet are available upon request.

Faithfully yours,

  
NATHAN STRAUS  
Administrator

Enclosure

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY

WASHINGTON  
April 8, 1940

TO ALL LOCAL HOUSING AUTHORITIES:

We are pleased to inform you that our Regional Offices located in Washington, D. C., have been moved from the Steuart Motor Building, Fifth and K Streets, N. W., to the North Interior Building, 19th and F Streets, N. W., Washington, D. C. This change in address should be noted for future reference and used in all correspondence with us until further notice.

Members of your Authority or its staff, or citizens interested in visiting the Regional or Central Office of the United States Housing Authority should especially be informed of and bear in mind this change of address when visiting Washington.

*John Taylor Egan*  
JOHN T. EGAN  
Director, Region II

For the Administrator

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
WASHINGTON

April 12, 1940

TO ALL LOCAL HOUSING AUTHORITIES:

Two months ago you were advised that all USHA staff members were instructed that they are not authorized to submit vouchers for official, miscellaneous personal expenses to local housing authorities for reimbursement from Development Funds, until such vouchers have been previously submitted to the Regional Director and approved by him.

In order to assure consistent administrative control, I am notifying you that, under our new procedure, these vouchers hereafter will be sent directly to Washington by our office after my approval. Such expenses will be paid by the USHA and you will reimburse the USHA upon the receipt of an invoice, covering such vouchers, submitted to you by the Washington Office. Consequently, in the future, your authority will not honor individual staff members' vouchers for payment, but will reimburse the Washington Office on the basis of invoices rendered to you covering payment of these vouchers by the Authority.

Expense vouchers covering salaries, per diem allowance, etc., submitted to local authorities by the Washington Office of the USHA are, of course, separate and apart from the miscellaneous expense vouchers covered by this letter and the existing procedure for the payment of vouchers covering salaries, per diem allowance, etc., submitted by the USHA itself is, therefore, not affected by this letter.

*John P. Broome*

JOHN P. BROOME  
Director, Region IV

For the Administrator

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY

WASHINGTON

May 6, 1940

To All Local Housing Authorities:

In his letter of March 30 to all local housing authorities, the Administrator referred to certain policy and procedure questions which were raised at the meeting of the NAHO in Washington on February 13 and 14. Paragraph 2, Section II of this letter stated that studies would be made of the number and expenses of Construction Advisers and their staffs.

Realizing that the salary and expense of the Construction Adviser and his staff is fully chargeable to project development costs as the result of a change in the applicable Federal laws, it is in line with our other efforts to reduce costs that this administrative expense be kept to a minimum consistent with good administration in the disbursement of public funds. It is not possible to adopt a formula which can meet every situation but, in general, effective July 1, 1940, the following policy will be pursued in an effort to obtain the desired economies:

1. In a number of cases on existing projects, action will be instituted to furlough stenographers and engineering aides, after a reasonable notice, where the expected work load has not materialized or where other arrangements have been made to provide the same service;
2. As succeeding projects begin in cities already having one or more Construction Advisers, the new work will be assigned to present employees depending upon the location of the project and the physical ability of the staff to service adequately the additional project. In some cases where additional technical personnel is considered essential, it may be possible to appoint an Assistant Construction Adviser at a lower salary scale reporting to the Construction Adviser in charge. In cities where the local authority is making its first construction awards, the newly appointed Construction Adviser will be assigned to as many subsequent projects as he is able to handle;
3. The employment of engineering aides will be discontinued in the future on all except the largest projects or combinations of projects in scattered locations under one Construction Adviser;
4. On all future projects, local authorities will be given an opportunity to furnish stenographic services to the Construction Adviser rather than have the USHA employ under the Civil Service Laws and Rules stenographers at rates prescribed by law for classified Federal employees. This may be accomplished

To All Local Housing Authorities - 2 -

either by the local authority's employment of a stenographer at prevailing rates for the principal or exclusive use of the Construction Adviser where the volume of work justifies or on smaller projects by furnishing part-time services of an existing employee of the local authority.

While the economies resulting from the above policy will not be immediately apparent in many cities, I am confident that in the final analysis, they will be an important factor in lowered project development costs.

Sincerely yours,

Regional Director

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

June 29, 1940

TO ALL LOCAL HOUSING AUTHORITIES

Gentlemen:

Enclosed herewith is a bulletin on defense housing dealing with legislation which has just been signed by the President. I wish to make you familiar with the rapidly developing background of this matter.

As soon as discussions of the national defense program were begun, it was realized that the housing of war industry workers and of Army and Navy employees would become a very important factor in defense preparations just as it did during the last war. The leaders who are formulating today's national defense program have had numerous consultations with the various federal housing agencies as to means for avoiding a repetition of the acute housing shortages which were encountered during the last emergency.

Today there are several federal agencies all well-equipped with experienced personnel, and ready to contribute to the solution of the problem. In the discussion of the facilities of the various federal housing agencies, I cited as a peculiar qualification of the USHA the existence throughout the country of 500 local housing authorities composed of citizens thoroughly familiar with local housing needs and local housing conditions. I pointed out that, in cooperation with these agencies, the USHA was equipped to provide needed housing economically and quickly.

I believe it fair to say that it was the existence of these local housing authorities, organized and equipped to cooperate with the USHA, which led the Congress and the President to provide for the building of defense housing under the terms of the law which has just been enacted.

This legislation imposes on the local housing authorities and the USHA grave responsibilities in the national defense program. On your behalf I have assured the leaders who are directing the defense program that the local authorities working with the USHA will undertake to produce such defense housing as is needed, when it is needed. I have given this assurance of what we can do together because I am completely confident that the nation can count on your cooperation, loyalty, and enthusiasm as you know you can count upon mine.

To All Local Housing Authorities - 2

The enclosed Bulletin No. 35 represents the best thinking of the United States Housing Authority and those entrusted with defense housing. As soon as further plans become known, I will communicate them to you. In the meantime the local authorities and the USHA have specific duties to perform. The local authorities should familiarize themselves promptly and completely as to existing and probable defense housing needs in their communities. The United States Housing Authority has an obligation, which it has already begun to carry out, of shortening and simplifying its own procedures in the interest of the greatest possible speed. As will be evidenced from the enclosed bulletin, greater independence than ever before is accorded the local authorities.

In conclusion, may I express my gratification that the local housing authorities and the USHA have arrived at a degree of competence which has warranted the Congress in delegating to us so responsible a duty in this critical moment. I know I speak your minds as well as my own when I say that we will not fail.

Faithfully yours,

*Nathan Straus*  
NATHAN STRAUS  
Administrator

Enclosure

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
WASHINGTON

July 12, 1940

TO ALL LOCAL HOUSING AUTHORITIES

Gentlemen:

I was recently shocked to learn that a certain individual has represented to a local authority that, if his services were engaged, he could assure the obtaining of an earmarking and loan from the United States Housing Authority. Any such representation is entirely false and I am writing to caution local authorities against being misled by any such misrepresentations.

It is not necessary or even advisable for any local authority to retain or engage the services of any mediator to obtain consideration by the USHA of applications of local authorities for financial assistance in connection with their low rent housing programs. In fact, the USHA on such matters will deal only with local authorities through their duly constituted members, officers and employees. No earmarking will be made on the basis of any request or action taken by any one not having an official standing with the local authority.

The Terms, Covenants and Conditions forming a part of USHA loan contracts prohibit local authorities from paying any bonus or commission for obtaining approval of an application for assistance of a project.

If misrepresentations of the character described in this letter have been made to any local authority, I would appreciate receiving a confidential report from such local authority setting forth the particulars so that an investigation may be made promptly.

Faithfully yours,



NATHAN STRAUS  
Administrator

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

August 16, 1940

TO ALL LOCAL HOUSING AUTHORITIES:

In connection with Bulletin No. 36 on Policy and Procedure, recently sent you, the accompanying memorandum was dated July 15. The last paragraph requested your comments within 30 days. This bulletin was not dispatched until the first week in August.

The last paragraph should read ". . . within 30 days from the date of the receipt of this bulletin".

Very sincerely yours,

*Leon H. Keyserling*  
LEON H. KEYSERLING  
Acting Administrator

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
WASHINGTON

October 30, 1940

To All Local Housing Authorities:

Subject: Monthly Report of Capital Borrowings, Deposits, and Balances in Development Fund, USHA-921.

It is highly important for administrative purposes that the USHA receive promptly each month a statement from each Local Housing Authority regarding deposits and balances in the development funds. In the past such information has not been available on a current basis, nor has it been requested in connection with "Analyses of Expenditures and Budget Control Statement," Form USHA-213. A postal card "Monthly Report of Capital Borrowings, Deposits, and Balances in Development Fund," USHA-921, has been devised for reporting the necessary data. All data required can be obtained prior to the completion of Form USHA-213, that is, the figures are readily obtainable from records maintained currently by the Local Housing Authority. Figures on capital borrowings are also being requested. With the use of this postal card form it will not be necessary to submit as part of Form USHA-213 the detailed schedules which were requested in the memorandum to all Local Housing Authorities dated August 20, 1940.

The "Monthly Report of Capital Borrowings, Deposits, and Balances in Development Fund" must be prepared at the close of each month and mailed promptly in order to be received in Washington by the 10th of the month following that covered by the report. This means that all reports must be mailed not later than the 8th of each month, and in the case of those Authorities located in the western part of the country by the 7th, or sent by air mail. No postage is required unless sent by air mail.

One card should be submitted each month by each Local Housing Authority to represent a consolidation of the figures for all USHA-aided statutory projects being developed by the Local Housing Authority. Hence, all amounts are to show the accumulated totals or outstanding balances, as the case may be, at the end of the month. It is suggested that each Local Housing Authority maintain, for reference purposes, a record of the data submitted.

The identifying information at the top of the card should be filled in completely. It is especially important that the numbers of all projects included in the report be entered on the third line. Reports should be numbered consecutively.

Codes will be entered in the boxes at the Washington office. Consolidated amounts which include figures for all projects being developed by the Local Housing Authority are requested for the following five items:

1. Total Capital Borrowings Outstanding as of End of Month. This item includes advances by USHA, temporary financing, bonds issued, and any other capital borrowings which are outstanding at the end of the month.
2. Cash Donations to Development Fund Account as of End of Month. Only cash donations deposited in the development fund account are to be entered.
3. Total Amounts Deposited in All Development Fund Accounts to End of Month. This item represents all amounts which have been deposited in the development fund. The effect of inter-project transfers of funds will be eliminated by this consolidated type of report.
4. Total Cash Balance in All Development Fund Accounts at End of Month. This item is self-explanatory.
5. Total Cash Disbursements from Development Fund to End of Month. The entry for this item is obtained by subtracting the entry for Item 4 from that for Item 3; in other words, Item 3 minus Item 4. This figure will not correspond with the entry for "Total Development Costs Paid to Date" as will be reported on Form USHA-213, since certain items of Accounts Receivable are not included on Form USHA-213.

Every effort should be made to report accurately the data within the time limit. A supply of these cards is being sent to you. The first one should be submitted as of October 31, 1940.

Director, Region

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY

WASHINGTON

NOV 25 1940

ALL LOCAL HOUSING AUTHORITIES

Attached is a copy of a letter dated August 31, 1940, from the Acting Deputy Commissioner of Internal Revenue, Treasury Department, United States of America, to the Housing Authority of Baltimore City setting forth the ruling of the Treasury Department exempting the Housing Authority of Baltimore City from the payment of the tax under Section 3465 of the Internal Revenue Code on charges for telephone, telegraph, radio and cable messages or services.

We believe that all Local Housing Authorities are entitled to exemption from this tax. It is therefore suggested that each Local Housing Authority take appropriate action to obtain the exemption permitted by this ruling and that each Local Housing Authority notify the offices of the local telephone, telegraph and radio companies of the ruling of the Treasury Department.

We have sent a copy of the attached letter to the home offices of the American Telephone and Telegraph Company, Western Union Telegraph Company, Postal Telegraph-Cable Company and Mackay Radio and Telegraph Company.

  
NATHAN STRAUS  
Administrator

Attachment

To Be Reproduced

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T R E A S U R Y D E P A R T M E N T

Washington

August 31, 1940

Office Of  
Commissioner of Internal Revenue

Housing Authority,  
McCawley Building,  
37 Commerce Street,  
Baltimore, Maryland.

Gentlemen:

Reference is made to your letter of August 19, 1940 requesting information as to whether the Housing Authority of the City of Baltimore is entitled to exemption from tax on telephone and telegraph messages imposed by section 3465 of the Internal Revenue Code. Section 3466 of the Code provides that no tax shall be imposed under section 3465 upon any payment received for services or facilities furnished to the United States or to any State or Territory, or political subdivision thereof, or the District of Columbia.

It appears from the evidence previously submitted that the Housing Authority is an instrumentality of the State of Maryland or political subdivision thereof. It is held, therefore that the Housing Authority of the City of Baltimore is entitled to exemption under section 3466 of the Code, from payment of tax on charges made to it for telephone, telegraph, radio or cable messages or services.

Respectfully,

Signed Adelbert Christy  
Adelbert Christy  
Acting Deputy Commissioner.

cc-Baltimore, Maryland

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
WASHINGTON  
December 10, 1940

To All Local Housing Authorities:

The draft under the Selective Training and Service Act of 1940, and the calling into training or service of members of the National Guard and members of the reserve components of the armed forces of the United States, have raised two important questions in connection with the USHA-aided program.

The first question is whether Local Housing Authorities receiving USHA aid should continue to pay full (or partial) salaries to their former employees who are drafted or called into training or service. I think all Local Authorities will agree that any financial participation by the Federal Government in special salary benefits to draftees, or to persons called into training or service, should be on a uniform and nondiscriminatory basis. Any salary benefits of this kind should extend to all employees who are drafted or called into training or service and should not be restricted to employees of Local Housing Authorities. The responsibility for formulating Federal policy in this respect and making funds available for any such salary benefits rests, of course, with the Congress of the United States rather than with USHA. The USHA cannot, therefore, approve the use of either the development or administration funds provided for USHA-aided projects to pay full (or partial) salaries to former employees of Local Authorities during their period of training or service.

The second question raised is whether, in the event the chief earner in a tenant family is drafted or called into training or service, the remainder of the tenant family should be permitted to remain in a USHA-aided project without the payment of rent. The present policy of the Government on conscription, as announced by the War Department, is to defer men with dependents from military training. Under this policy no man will be conscripted unless his local draft board has determined that he has no dependents. Even though the person subject to conscription is not the chief earner in the family, I think we can assume for the present he will not be placed in training if he shows the local draft board that his earnings comprise an indispensable portion of the family income.

Similarly, enlisted men and officers in the National Guard who have dependents have been authorized to apply for discharge or tender their resignations. In view of these special provisions for men with dependents, I do not think that the draft under the Selective Training and Service Act of 1940, or the calling of the National Guard into training or service, will create any immediate problems with respect to the payment of rent for dwellings in USHA-aided projects.

I am sure that all Local Authorities will agree that any financial participation by the Federal Government in special rent benefits to draftees or persons called into training or service should be on a uniform and nondiscriminatory basis and should not be restricted to tenants of USHA-aided projects. This is a field in which only the Congress of the United States can appropriately act and it has acted recently by enacting Public No. 861, 76th Congress, approved October 17, 1940. This Act imposes restrictions upon the time and manner in which dependents of persons in training or service may be evicted from dwellings on which the rental charge does not exceed \$80 per month. Dependents of men in training or service may not be evicted from such dwellings without the prior consent of a Court. In such cases the Court may stay the proceedings for not longer than 3 months or make such other order as may be just. Penalties are provided for any person knowingly taking part in any eviction proceedings against dependents of men in training or service except in the manner prescribed in this legislation. Since the rentals for all dwellings in USHA-aided projects are far below the rental limit fixed in this Law, Local Authorities are bound by the provisions of this Law.

I think that the policy of Local Authorities in this regard should be to make every effort to collect the scheduled rent from the families of men in training or service. If collection is not feasible, reasonable arrangements should be made to defer the payment of all or part of the back rent, provided such deferment will not make it necessary for the Local Authority to raise the rental rates for dwellings occupied by remaining families. If arrangements cannot be made for payment of any delinquent rent on a reasonable deferred payment plan, or if the deferment of the payment of the rent will result in raising the rents of other tenant families, Local Authorities seem required under existing legislation to apply to the appropriate Court for the eviction of the families involved. The USHA cannot approve the use of either the development or the administration funds established for USHA-aided projects to pay the rent for families of tenants who are drafted or called into training or service, or to make up any

deficiencies in project income resulting from the occupancy of project dwellings by such families.

The USHA will do all that it can under the laws passed by Congress to cooperate in meeting the economic problems raised by the draft and by the calling of men of certain military or naval status into training and service.

Faithfully yours,



NATHAN STRAUS  
Administrator

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

To All Local Authorities:

Prior to the time your first project was ready for occupancy, you were furnished with an initial supply of certain forms as required in Bulletin on Policy and Procedure No. 28. This initial supply was provided so that you could immediately start submitting reports while you obtained an additional supply for future use.

You were advised that additional copies of these forms should be obtained from the Government Printing Office or from a local printer. If the forms are purchased from the Government Printing Office, a check made payable to the Superintendent of Documents should be enclosed with the order which should be addressed to

Superintendent of Documents,  
Government Printing Office,  
Washington, D. C.

The Government Printing Office prices are as follows:

USHA Form 41	\$ .35 per 100
USHA Form 391	.30 per 100
USHA Form 836	.35 per 100
USHA Form 837	.35 per 100
USHA Form 838	.40 per 100
USHA Form 839	1.50 per 100 sets of 3 sheets
USHA Form 840	.30 per 100
USHA Form 831	.30 per 100

Local Authorities should clearly understand that it is not mandatory that the forms be obtained from the Government Printing Office. The forms may be printed locally, but they should, in all cases, conform in size and in arrangement with those furnished you by the United States Housing Authority.

If the forms are printed locally, your Authority should submit proofs of the forms as prepared by your printer to the Regional Office for approval before you allow the printer to proceed. Your cooperation in this respect is necessary as irregularity of size or inconsistency in the arrangement of the data causes considerable inconvenience when the reports are reviewed and the material is recapitulated in this office.

To All Local Authorities - 2

Since an order placed with the Government Printing Office may take a few weeks to be filled, you should keep this time consideration in view, and place your order sufficiently in advance so that your stock of any of these forms will not be depleted.

Regional Director

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
WASHINGTON

In reply please refer to  
R-IV:RLS

TO ALL LOCAL HOUSING AUTHORITIES:

It has been noted that many of the plans and specifications submitted to the United States Housing Authority by Local Authorities have been shipped with charges collect. In order to expedite the review of such documents, the USHA has accepted these charges.

As the USHA cannot continue to assume this expense which is considered a proper charge to project development cost, you are requested in the future to see that all charges are prepaid.

Your compliance with this requirement will be appreciated.

Sincerely yours,

JOHN P. BROOME  
Director, Region IV

For the Administrator

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
WASHINGTON

TO ALL LOCAL HOUSING AUTHORITIES:

To meet the present market in the construction industry, the following amendments to the Development Cost Control are to be made for immediate use. Will you please amend your copy accordingly.

APPENDIX NO. 5 - Basic Estimates for One and Two Story Houses and Three Story Apartments

The Structure Cost for Cost Index 100 should be amended to read:

for 1 story	-	\$2,473
for 2 story	-	2,756
for 3 story	-	2,725

APPENDIX NO. 7 - Cost Estimates for Alternate Design Features

The costs given for alternate design features are to be adjusted for room ratio but not for varying index factors. It is believed that this method of adjusting for alternate design features will be more accurate than the present method.

PAGE 2 - and PAGE 6 - C. Non-Dwelling Buildings, Spaces, and Equipment

It is suggested that non-dwelling buildings and equipment be limited to \$100 per dwelling unit at Index 100 and correspondingly for other indexes; and that when check meters are required, they be provided for in addition to the above allowance.

APPENDIX NO. 5 - On the last sheet, omit the last paragraph and the figures following, commencing with the words "The costs given in Appendix No. 6 for mechanical work . . ."

Regional Directors - 2

APPENDIX NO. 6 - Increase the "Cost of Mechanical Work" in the cities of the following states by the amounts indicated:

Connecticut	-	\$ 30	Nebraska	-	\$ 125
Illinois	-	125	New Jersey	-	70
Indiana	-	60	New York	-	60
Maryland	-	25	Ohio	-	65
Michigan	-	125	Pennsylvania	-	35
Missouri	-	100	Rhode Island	-	60

APPENDIX NO. 6 - Last page, second paragraph under "NOTES" change to read as follows:

"The basis of the gravity hot water heating estimates is shown in Appendix No. 4, the costs varying from \$200 to 250 per dwelling unit, depending on the locality, for cities requiring Type "A" heat."

APPENDIX NO. 6 - Add a paragraph at the end of the "NOTES" reading as follows:

"When project heat is substituted for gravity hot water, add the following to the "Cost of Mechanical Work": For 2 story row houses, add \$90 per dwelling unit; For 3 story apartment houses, add \$60 per dwelling unit."

Very truly yours,

Director, Region

For the Administrator

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
WASHINGTON

May 6, 1941

To All Local Housing Authorities:

The enclosed Addendum No. 1 to Part IV of the Manual of Accounting Procedure contains complete detailed instructions with respect to permanent financing, especially in connection with the recording of Annual Contributions and Debt Service Charges and related entries on the books of the Local Authority and Fiscal Agent.

It is requested that Local Authorities instruct their accountants to familiarize themselves with the data contained in the addendum in order that they may make the necessary revisions in the records.

Should further information or assistance concerning the revised procedure be required, a representative of the United States Housing Authority will be assigned for such purpose upon your request.

Faithfully yours,

  
NATHAN STRAUS  
Administrator

Enclosure

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
WASHINGTON

June 14, 1941

To all Local Housing Authorities Developing Defense  
Housing Projects Under the Lanham Act

Gentlemen:

In order to make available to you easily referable instructions with respect to the development of defense housing projects under the Lanham Act, we will send to you in the near future a document to be known as the "Manual of Procedures for Defense Housing Under the Lanham Act." Briefly, this manual provides a system of classifying and filing for ready reference the instructions issued from time to time by the USHA. The material is divided into the following major sections:

<u>Major Subject</u>	<u>Code</u>
I General	LG
II Organization and Administration	LO
III Development	LD
IV Construction	LC
V Management	LM
VI Accounting and Auditing	LA
VII Administrative Budget and Personnel	LP
VIII Office Services	LS
IX Miscellaneous	LX

You have already been given instructions reproduced generally for your information. All such instructions issued to date will be placed in the manual to assure the completeness of your information.

We are sending you nine separators to set off each of these sections. Within each section there will be a further breakdown by groups of 100 numbers, the detail of which will appear as a cover sheet to the manual. In the upper right-hand corner of each issuance, you will find two sets of coding symbols. You are to ignore the

upper one, which is a USHA symbol. The lower symbol is for your use and will identify the proper section of the manual in which the issuance should be filed. For example, you might find the symbol "LD-7-LHA." The "L" stands for Lanham, the "D" indicates the section (in this case "Development"), the "7" indicates that the issuance is the seventh in the LD series, and the "LHA" indicates that the document is for the use of Local Housing Authorities.

It is important that this method of maintaining various releases be kept up to date by those who are concerned with the defense housing program under the Lanham Act. From time to time it is planned to rewrite and reissue the materials within each phase in order to increase ease in reference and usability.

Very truly yours,

Director of Region

For the Administrator

OFFICE OF THE  
ADMINISTRATOR  
U. S. H. A.

FEDERAL WORKS AGENCY

UNITED STATES HOUSING AUTHORITY

WASHINGTON

June 24, 1941

To All Local Housing Authorities:

In the early days of the USHA program, there was some doubt in the minds of Local Authorities regarding the extent to which they could use development funds in procuring essential housing information and furnishing it to their communities. They recognized the need for this informational work, but had no statement of principles to guide them in performing it. To assist them, the USHA issued in November of 1939 "A Statement of Principles Governing Expenditures for Informational Purposes Which May Legitimately Be Charged to Development Costs by Local Housing Authorities." This "Statement," together with the Addenda to it issued on January 2, 1940 and March 20, 1940, supplied the necessary guide.

Further experience has shown that this original statement of principles on informational expenses needs revision in certain respects. The fact that most Local Authorities now have projects in operation, as well as projects in development, has also made it necessary to cover informational expenses during the project management period. The USHA is, therefore, issuing the attached "Statement of Principles Governing Informational Expenses Chargeable to Development and Administration Costs," to make the necessary revisions in the original statement and to supply a guide for informational work during the project management period.

Attention is called particularly to the provisions made in Section VI of the "Statement" for the preparation and submission of Proposed Informational Programs, together with accompanying Informational Expense Budgets, for the project development period and for each operating budget period. As the "Statement" indicates, the Proposed Informational Programs will enable the USHA greatly to increase the effectiveness of its assistance to Local Authorities in organizing and carrying out their informational work.

It is hardly necessary to add that this "Statement" should not be construed as authorizing informational expenses, if they are prohibited by State law.

Faithfully yours,



NATHAN STRAUS  
Administrator

Attachment

OFFICE OF THE  
ADMINISTRATOR  
U. S. H. A.

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
WASHINGTON

July 2, 1941

TO ALL LOCAL AUTHORITIES:

You have been informed as to the desirability of erecting signs for each USHA-aided project, and I have been pleased to note that our suggestions have been well received and carried out, not only with respect to your program, but with respect to the programs of other Local Housing Authorities as well.

Our suggestions, as you know, cover only signs of a standard size and design and take no cognizance of varying project sizes and surroundings. These signs are quite adequate for most purposes, but in my travels around the country I have noted that in many cases the signs are so located, or are of such inadequate size, that the general public may never see them.

I have in mind a housing project close to a main line railroad where the signs are not visible from the trains. This is equally true of projects located near main traffic arteries. In such cases public housing is losing a splendid opportunity to gain the interest and support of large numbers of people. I am sure that many persons traveling through your City would be pleased to know that you have a real public housing program under way.

May I suggest your thoughtful consideration of this problem and ask that you make a survey of conditions, writing to tell me what may be done in the way of meeting this situation for your projects. Particular attention should be given to the possibility of locating additional signs of the proper size readily visible from nearby railroad lines and important through highways.

If you believe that your projects are covered adequately, I would appreciate a brief description of the installation and your comment upon its effectiveness, so that I may discuss this with other Authorities.

Accept my thanks for your cooperation in informing the people of your community of progress in the nation-wide slum-clearance program.

Faithfully yours,

*Nathan Straus*  
NATHAN STRAUS  
Administrator

41

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
WASHINGTON

TO ALL LOCAL HOUSING AUTHORITIES

Subject: Tenant Selection - Use of Records  
of Social Security Board

The purpose of this statement is to clarify the questions which have arisen regarding the use of wage data from the Social Security Board records for purposes of verifying income in tenant selection and annual re-examination of tenant eligibility for continued occupancy, and to urge Local Authorities not to request such information except as indicated below.

Wage information reported by employers for employees is recorded in the files of the Bureau of Old Age and Survivors Insurance. The terms of the Social Security Act as amended, and of Regulation No. 1 adopted thereunder, provide that with a few highly restricted exceptions the disclosure of such information to persons or agencies other than the employee himself is illegal.

Some Local Authorities have required applicants for dwellings to secure a statement of their wages from the Social Security Board and to show it to the Local Housing Authority. This information has limited usefulness in tenant selection inasmuch as the figures reported by the Social Security Board include wages from only those occupations covered by the provisions of the Social Security Act. A further limitation is that the reports issued by the Social Security Board to employees upon request give wages as a single lump sum for a given period of time, not broken down by place or dates of employment. Moreover, wage data are posted only at annual intervals by the Social Security Board, although wage data for quarterly periods of the incomplete calendar year may be available in the Board's files. Because of the volume of work involved, however, the records may be as much as six months late in being posted to the individual employee accounts.

To All Local Housing Authorities - 2

Aside from this question of the limited usefulness of the data, it should be pointed out that needless inquiries for wage information materially increase the cost of administration of the Social Security Board.

For the foregoing reasons, therefore, USHA urges that Local Authorities do not require applicants to obtain wage information from the Social Security Board except in those very rare instances where verification is impossible from other sources.

Wage data are also maintained by the State Employment Security Agencies, which operate in conjunction with the Bureau of Employment Security of the Social Security Board. The legal position of these agencies may differ from that of the Bureau of Old Age and Survivors Insurance, in that to some extent the restrictions placed upon the disclosure of confidential information vary according to State laws and regulations. Nevertheless, Local Authorities should refrain from requesting wage information from State Employment Security Offices also, for reasons similar to those stated above.

We are sure that you will appreciate the necessity for these recommendations, and that we and the Social Security Board can count upon your cooperation.



LEE F. JOHNSON  
Assistant Administrator  
for Management

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
WASHINGTON

TO ALL HOUSING AUTHORITIES WITH EXECUTED LOAN CONTRACTS

This letter concerns a matter of immediate and continuing importance. As the housing program in your city proceeded from blue prints to buildings, new problems arose. As the buildings of brick and mortar are to be transformed into homes for human beings, new problems will arise. It is time to consider these problems now and to plan to meet them.

First among these problems is the necessity for planning to have every home occupied immediately it is completed. The importance of this cannot be exaggerated. In a public housing program, financed in part by taxpayers' money, it is unforgivable that one home, ready and available for occupancy by a family from the slums, should remain even for a day unoccupied.

May I call to your attention the following suggestions in connection with planning for immediate and complete occupancy:

(1) Most projects consist of many buildings. It is neither feasible nor desirable to complete and open all buildings for occupancy at one time. Construction should be timed so that the buildings open week by week -- not all at once.

(2) Publicity and management activities, including tenant selection and renting, should always be well in advance of construction activities so that each building is open for occupancy immediately it is substantially completed.

(3) No building should be considered "substantially completed" until all equipment, utilities, walks, drives, and other items are in a condition which will permit the tenants to occupy the homes without unreasonable inconvenience. The date announced by you as the date on which a

Housing Authorities - 2

group of homes will be "open for occupancy" should mean that on that date the homes in question will be ready to receive tenants and that tenants will immediately move in.

(4) A carefully timed public relations and management program should be inaugurated as soon as construction is started. The aid of other agencies, of the newspapers, and of the radio, as well as the social workers throughout the city, should be enlisted to give publicity to rents, income schedules, and the date on which homes will be open for occupancy.

I suggest you re-read the management program set forth in Bulletin No. 32. Enclosed is an outline of a typical time schedule to supplement this Bulletin.

The Regional Office of the USHA and our staff here will be glad to answer any questions which will aid you in planning your schedule.

With best wishes,

Faithfully yours,



NATHAN STRAUS,  
Administrator.

Attachment

OUTLINE OF THE CAL TIME SCHEDULE  
 For Projects Now Under Loan Contract

## TO COORDINATE CONSTRUCTION, PUBLIC RELATIONS AND MANAGEMENT

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
WASHINGTON

July 14, 1941

To All Local Housing Authorities Having Loan Contracts:

Subject: Monthly Report of Borrowings Outstanding, Cash Balances, and Total Disbursements, USHA-921 (Rev. 6-1-41).

In a memorandum dated October 30, 1940 to all Local Housing Authorities the current need for data from each Local Housing Authority on net borrowings, funds available, and balances was explained. Instructions were given for the preparation and submission of the postal card Form USHA-921, Monthly Report of Borrowings Outstanding, Cash Balances, and Total Disbursements. In order to simplify the method of reporting, the form and instructions have been revised. A supply of the new forms, USHA-921 (Rev. 6-1-41), is being sent to you and the old stock may be destroyed.

The purpose of the information which is to be transmitted on the postal card is to enable the United States Housing Authority to have promptly each month the volume of dollars that are being disbursed each month as a result of the development of the program of the USHA. In the development of the various projects by the Local Housing Authorities there results directly therefrom the employment of professional and occupational trade groups and the purchase and placement of construction material. All of these reflect the direct economic stimulus which results from the prosecution of the housing program. The best unit of measurement of this stimulus is dollars disbursed and for this reason it should be readily understood that the objective of the postal card is to enable the Local Housing Authorities to supply the desired information in the simplest form.

In order to achieve the objective desired on the part of the USHA, the postal card report has been designed to permit each Local Housing Authority to report promptly at the end of each month, accurate data on the following items:

- (a) Net borrowings that are outstanding.
- (b) Cumulative total of all other funds which have been acquired from sources other than borrowings and which will be used for the development of projects.
- (c) Actual cash balances of funds to be used for the development of projects.

All Local Housing Authorities Having Loan Contracts - 2

(d) Cumulative total of all disbursements that have been made for the exclusive purpose of developing projects under their jurisdiction.

In reporting the data described above, and in accordance with the objective of the USHA, it should be understood that the amounts reported are to be only those which have been or will be used for the development of projects and not for the operation or maintenance of the projects. Accordingly, nothing should be included in any of the items which will not be eventually charged to the development cost of a project.

Some Local Housing Authorities have one or more subdivisions of accounts for controlling the funds that are being used to develop projects, and it is necessary that all of these be taken into consideration when preparing the reports.

The revised forms must be prepared at the close of each month and mailed promptly in order to be received in Washington by the 10th of the month following that covered by the report. This means that all reports must be mailed not later than the 8th of each month, and in the case of those Authorities located in the western part of the country by the 7th or sent by air mail. No postage is required unless sent by air mail.

One card is to be submitted each month by each Local Housing Authority to report the consolidation of accounting figures for all USHA-aided statutory projects being developed by the Local Housing Authority. It is suggested that each Local Housing Authority maintain for reference purposes a duplicate copy of the data submitted.

The identifying information at the top of the card is to be filled in completely. It is especially important that the numbers of all developments included in the report be entered on the line after "Developments Nos." Reports should be numbered consecutively, continuing any numbering system now in use. The following are detailed instructions and explanations for the preparation of the information requested on Form USHA-921 (Rev. 6-1-41).

1. Total Net Borrowings Outstanding as of End of Month.

This item is to include only the net borrowings of the Authority outstanding as of the end of the month. Such borrowings can be net advances by the USHA, net permanent or temporary borrowings regardless of the source, or any other net sums or amounts borrowed whether interest bearing or otherwise. By "Net" is meant only the outstanding balances of funds which have been borrowed by the Local Housing Authorities. It is obvious that these outstanding balances must not contain any amounts that have been previously borrowed and repaid.

All Local Housing Authorities Having Loan Contracts - 3

2. Cumulative Total All Other Funds Available, Not Included in Item 1, as of End of Month.

This item is to include cash donations made to the Local Housing Authority, if any, and all funds or revenue derived from other sources, such as, demolition, receipts from salvaged sales, sale of blueprints, and rents collected from the site prior to demolition or prior to the construction of the development. Do not include any rents or revenue obtained from tenants in newly constructed dwelling units in housing projects, which may be wholly or partially occupied, and do not include any sums received from the USHA as annual contributions.

3. Total of Item 1 Plus Item 2.

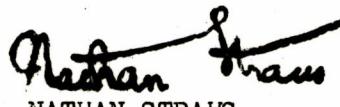
This item is the sum of Items 1 and 2. It is to include all net amounts of funds which have been or are available for disbursing for the development of a project.

4. Total Cash Balance as of End of Month.

This item is to include the cash balance on hand which is available for disbursement for the development of projects. It is not to include any balances of rents received from occupied projects or annual contributions such as are included by Item 2 (above).

5. Cumulative Total Cash Disbursements to End of Month. (Item 3 Minus Item 4)

This item should reflect and be the cumulative total of all funds disbursed by the Local Housing Authority for the development of projects as of the end of the month for which the report is submitted. It is the difference between Item 3 and Item 4. If the instructions for reporting Items 1 through 4, inclusive, have been carefully followed, this item will not include any disbursements that have been made for the operation of an occupied project. The amount reported for Item 5 may not agree with the total amount shown on Form USHA-213 opposite the title "Total Development Cost Paid to Date" for the corresponding period, since there may have been certain amounts which were actually disbursed during the period, such as, "Advances" which, while they may be eventually charged to the "Total Development Cost Paid to Date" were, during the period for which the report is submitted, classified as "Accounts Receivable."

  
NATHAN STRAUS  
Administrator

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
WASHINGTON

July 25, 1941

TO ALL LOCAL HOUSING AUTHORITIES:

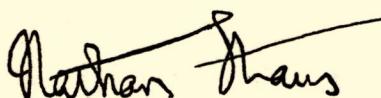
Each Local Authority is required to carry certain forms of public liability insurance during both development and management periods to protect itself against possible liability for claims arising out of injuries to persons. Such insurance coverage is carried (1) to protect the Local Authority against such liability and (2) to assure payment of just claims.

In order that the public liability coverage afforded your Authority may have the same effect as coverage generally afforded where there is a landlord and tenant or owner and public relationship and that such coverage may not be invalidated because of the municipal character of a Local Authority, it is requested that the following endorsement be obtained and made part of all liability policies in force:

"It is agreed that the Company shall not contend, in the event of a claim, that the named assureds are not liable in tort by virtue of the fact that they are governmental instrumentalities or public bodies."

Please forward copies of this endorsement for attachment to our copies of the policies. If this has already been done, this letter may be disregarded.

Faithfully yours,



NATHAN STRAUS  
Administrator

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

July 30, 1941.

To: All Local Housing Authorities and the Depositaries  
of their Development Funds

The United States Housing Authority hereby waives the requirement in paragraph B-1 of Section 2 of the Development Fund Agreement which provides that the certificate accompanying certain checks drawn by the Local Authority upon the Development Fund shall recite that a copy of the voucher stating the purpose or purposes for which the check is drawn has been furnished or mailed to the United States Housing Authority.

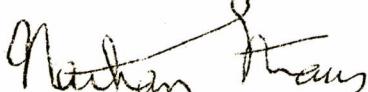
Henceforth, the certificate may read as follows:

"This is to certify that: (1) I am a duly appointed, qualified and acting officer of \_\_\_\_\_

authorized by resolution of said Authority to execute this certificate; (2) the check to which this certificate relates is drawn in accordance with an accounts payable voucher on file with said Authority stating in proper detail the purpose or purposes for which the check is drawn; (3) the check to which this certificate relates is drawn to reimburse the Authority for payments properly made in connection with the development of the low-rent housing project designated as USHA-Aided Project No. \_\_\_\_\_ (herein called the "Project"), or to pay items properly chargeable to the Development Fund of the Project in accordance with the Contract for Loan and Annual Contributions (herein called the "Assistance Contract") between \_\_\_\_\_ and the United States Housing Authority (herein called the "USHA") dated \_\_\_\_\_, and in accordance with the latest estimates of costs which have been delivered to and approved by the USHA; (4) such reimbursement, payment, item or charge has not formed the basis of any previous withdrawal from the Development Fund of the Project; (5) such reimbursement, payment, item or charge covers no items representing payment on account of any retained percentages which the Authority is, at the date hereof, entitled to retain; (6) the amount, after such withdrawal, in the Development Fund of the Project for use in connection with the Development of the Project, plus any donations received or to be received by the Authority for the purposes of the development of the Project, plus the proceeds

of the Bonds still to be purchased by the USHA and by others, and plus the rents and revenues to be deposited in the Development Fund prior to the date of such Bonds, will be sufficient to pay for the completion of the Project in accordance with the Assistance Contract, and with the latest estimates of cost which have been delivered to and approved by the USHA and to pay the aggregate amount of interest which will be payable from the Development Fund on or before the completion of the Project; and (7) no default has occurred and is subsisting under the Assistance Contract."

UNITED STATES HOUSING AUTHORITY



NATHAN STRAUS  
Administrator

Federal Works Agency  
UNITED STATES HOUSING AUTHORITY  
Washington

July 30, 1941

To: All Local Housing Authorities

Re: Modification of provisions with respect to transmittal of Copies of Accounts Payable Vouchers to USHA.

As a result of one of the suggestions made by NAHO with respect to the reduction in the amount of paper work being done by Local Authorities, the USHA has determined that commencing July 1, 1941, Local Authorities will not, in connection with withdrawals from their Development Funds, be required to transmit copies of each Accounts Payable Voucher to the USHA with their monthly financial reports.

The Local Authorities will, however, continue to keep the original Accounts Payable Vouchers in their files as necessary accounting documents, and these vouchers will be subject to periodical audits by USHA representatives. In those cases where the Local Authorities do not use a voucher form of check for withdrawals from their Development Funds, they will continue to furnish the depositaries of their Development Funds with a copy of a voucher for each check drawn on the Development Fund, which voucher will indicate the purposes for which the disbursement is made and will bear the certificate required by the Development Fund Agreement.

In order to accomplish this result, the forms of Development Fund Agreement (USHA Forms 425-A and 425-A-1) have been revised as of July 1, 1941, by changing the form of the certificate provided for in paragraph B-1 of Section 2 to read as follows:

"This is to certify that: (1) I am a duly appointed, qualified and acting officer of \_\_\_\_\_

authorized by resolution of said Authority to execute this certificate; (2) the check to which this certificate relates is drawn in accordance with an accounts payable voucher on file with said Authority stating in proper detail the purpose or purposes for which the check is drawn; (3) the check to which this certificate relates is drawn to reimburse the Authority for payments properly made in connection with the development of the low-rent housing project designated as USHA-Aided Project No. \_\_\_\_\_ (herein called the "Project"), or to pay items properly chargeable

to the Development Fund of the project in accordance with the Contract for Loan and Annual Contributions (herein called the "Assistance Contract") between \_\_\_\_\_ and the United States Housing Authority (herein called the "USHA") dated \_\_\_\_\_, and in accordance with the latest estimates of costs which have been delivered to and approved by the USHA; (4) such reimbursement, payment, item or charge has not formed the basis of any previous withdrawal from the Development Fund of the Project; (5) such reimbursement, payment, item or charge covers no items representing payment on account of any retained percentages which the Authority is, at the date hereof, entitled to retain; (6) the amount, after such withdrawal, in the Development Fund of the Project for use in connection with the development of the Project, plus any donations received or to be received by the Authority for the purposes of the development of the Project, plus the proceeds of the Bonds still to be purchased by the USHA and by others, and plus the rents and revenues to be deposited in the Development Fund prior to the date of such Bonds, will be sufficient to pay for the completion of the Project in accordance with the Assistance Contract, and with the latest estimates of cost which have been delivered to and approved by the USHA and to pay the aggregate amount of interest which will be payable from the Development Fund on or before the completion of the Project; and (7) no default has occurred and is subsisting under the Assistance Contract."

The above form of certificate may also be used by Local Authorities which have already entered into Development Fund Agreements which require a certification that a copy of the Accounts Payable Voucher has been furnished or mailed to the USHA. It will, however, be unnecessary to enter into amendatory Development Fund Agreements in order to accomplish this result, and it is suggested that the matter be handled informally with your depositary bank or banks. For your convenience, we are enclosing, for your files and the files of your depositary bank or banks, copies of a waiver in which the USHA agrees to the necessary changes in the form of certificate.

Faithfully yours,



NATHAN STRAUS  
Administrator

Enclosure

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

July 30, 1941.

To: All Local Housing Authorities and the Depositaries  
of their Development Funds

The United States Housing Authority hereby waives the requirement in paragraph B-1 of Section 2 of the Development Fund Agreement which provides that the certificate accompanying certain checks drawn by the Local Authority upon the Development Fund shall recite that a copy of the voucher stating the purpose or purposes for which the check is drawn has been furnished or mailed to the United States Housing Authority.

Henceforth, the certificate may read as follows:

"This is to certify that: (1) I am a duly appointed, qualified and acting officer of \_\_\_\_\_

authorized by resolution of said Authority to execute this certificate; (2) the check to which this certificate relates is drawn in accordance with an accounts payable voucher on file with said Authority stating in proper detail the purpose or purposes for which the check is drawn; (3) the check to which this certificate relates is drawn to reimburse the Authority for payments properly made in connection with the development of the low-rent housing project designated as USHA-Aided Project No. \_\_\_\_\_ (herein called the "Project"), or to pay items properly chargeable to the Development Fund of the Project in accordance with the Contract for Loan and Annual Contributions (herein called the "Assistance Contract") between \_\_\_\_\_ and the United States Housing Authority (herein called the "USHA") dated \_\_\_\_\_, and in accordance with the latest estimates of costs which have been delivered to and approved by the USHA; (4) such reimbursement, payment, item or charge has not formed the basis of any previous withdrawal from the Development Fund of the Project; (5) such reimbursement, payment, item or charge covers no items representing payment on account of any retained percentages which the Authority is, at the date hereof, entitled to retain; (6) the amount, after such withdrawal, in the Development Fund of the Project for use in connection with the Development of the Project, plus any donations received or to be received by the Authority for the purposes of the development of the Project, plus the proceeds

of the Bonds still to be purchased by the USHA and by others, and plus the rents and revenues to be deposited in the Development Fund prior to the date of such Bonds, will be sufficient to pay for the completion of the Project in accordance with the Assistance Contract, and with the latest estimates of cost which have been delivered to and approved by the USHA and to pay the aggregate amount of interest which will be payable from the Development Fund on or before the completion of the Project; and (7) no default has occurred and is subsisting under the Assistance Contract."

UNITED STATES HOUSING AUTHORITY



NATHAN STRAUS  
Administrator

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
WASHINGTON  
August 15, 1941

To Local Housing Authorities:

SUBJECT: Submission of Income and Expense - Budget Control Statements; the Recording of the Bond Structure on the Books of Local Authorities; and Treatment of Additions to Developments.

Supplementing instructions contained in Addendum No. 1 of the Accounts Manual please be advised as follows:

Income and Expense - Budget Control Statements:

The Income and Expense-Budget Control Statement (Form 621 Rev. 3-15-41) is to be prepared for each development for each month from the beginning of the Initial Operating Period to the end of the Initial Operating Period. Thereafter, such statements will be prepared for each quarter annual period. The statements will be submitted in an original and three copies to the Regional Office of the USHA with the regular monthly or quarterly reports on or before the fifteenth of the month following the close of the month or quarter for which the report is made. The preparation of the statement should be in accordance with the following instructions:

From the beginning of the Initial Operating Period to the end of the Initial Operating Period actual income and expense for the current month will be reported in Column 1 and cumulative figures in Column 3. No budget figures will be reported in the statements during the Initial Operating Period. Actual income and expenses will be cumulative from the beginning to the end of the Initial Operating Period, or in cases where the Bond Date comes within the Initial Operating Period such cumulative figures will be from the beginning of the Initial Operating Period to the Bond Date and from the Bond Date to the end of the Initial Operating Period. During the period of the First Operating Budget (i.e., the period from the end of the Initial Operating Period to the close of the First Fiscal Year), actual income and expense and budget figures for the current quarter will be reported in Columns 1 and 2 respectively and cumulative income and expense (actual) and budget figures from the end of the Initial Operating Period to the end of the current quarter will be reported in Columns 3 and 4 respectively.

## Local Housing Authorities - 2

The Income and Expense Analysis Ledgers are to be closed on the day next preceding the Bond Date. When the Bond Date falls between the end of the Initial Operating Period and the close of the First Fiscal Year it will be necessary in reporting cumulative figures in Column 3 after such closing to combine the total of each income and expense item for the portion of the period prior to the Bond Date with the total of each item subsequent thereto. During the second and each subsequent Fiscal Year the actual income and expense and budget figures for the current quarter will be reported in Columns 1 and 2 respectively, and cumulative income and expense (actual) and budget figures from the beginning of the Fiscal Year to the end of the current quarter will be reported in Columns 3 and 4 respectively.

### Recording of Bond Structure on Books of Account:

The procedure for recording the Bond Structure on the books of the Local Authorities has been revised in that the Series "A" and "B" Bonds Authorized and Unissued accounts will first be established at the time of permanent financing for the amount of such bonds authorized to be issued in accordance with the Bond Resolutions. In order to reflect the total subscriptions for the Series "B" Bonds on the books of account, a journal voucher shall be prepared and recorded at the time the Loan Contract is executed and approved, debiting "Bond Subscribers" (Account No. 1121) with 90 per cent of the amount set forth in said Loan Contract for the total estimated development cost (exclusive of the margin of safety) and crediting such amount to "Bond Subscriptions" (Account No. 2310). As Advance Loan Notes are issued and payments made to the Local Authority by the USHA, journal vouchers shall be prepared and recorded debiting "Bond Subscriptions" (Account No. 2310) and crediting "Bond Subscribers" (Account No. 1121) with the equivalent amount of each such payment. Both "Bond Subscribers" (Account No. 1121) and "Bond Subscriptions" (Account No. 2310) should be cleared of any remaining balance at the time of the delivery and sale of both series of bonds.

### Additions to Developments:

When Additions are made to a Development and when both the original Development and the Additions are within the same Statutory Project, the original Development and the Additions are considered as one Development, and only one set of accounts is required therefor. In such cases the Initial Operating Period shall be determined for the Development as a whole;

Local Housing Authorities - 3

i.e., the Initial Operating Period shall begin the first of the month during which income is first derived from rentals on the original Development; and the Initial Operating Period shall terminate at the end of the calendar quarter during which 95 per cent of the dwelling units in the Development as a whole first became occupied, but in no event later than one year subsequent to the end of the quarter during which the first dwelling unit in the Addition became occupied.

All instructions regarding the treatment of accounts during the Initial Operating Period shall apply to such a combined Development considered as a whole except as follows:

a. Reserves for repairs, maintenance and replacements shall be established for the original portion of the Development beginning with the first of the month following the end of the calendar quarter during which 95 per cent of the dwelling units in such original part of the Development first became occupied. Reserves for repairs, maintenance, and replacements for the total Development shall be established beginning with the end of the Initial Operating Period.

b. All preliminary operating expenses in relation to an additional part of the Development up to the first of the month during which income is first derived from rentals on such additional part shall be charged to Development Cost, Account No. 1470.2.

No reserves for Vacancy and Collection Losses shall be established prior to the end of the Initial Operating Period as above defined, but shall commence for the Development as a whole at that date.

Where Additions from a part of a different Statutory Project from the original Development, the Additions and the original Development will constitute separate Developments and separate accounts must be kept for each.

All instructions previously issued by the United States Housing Authority which are inconsistent or in conflict with the provisions contained herein are hereby rescinded or modified accordingly.

Faithfully yours,

  
NATHAN STRAUS  
Administrator

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

September 11, 1941

To All Local Housing Authorities:

SUBJECT: Requisitioning of Funds for Payment of First Six Months' Interest on Series "A" and "B" Bonds

Under Section 3.03 of the resolution authorizing the issuance of its definitive bonds, each Local Authority is required to deposit with its Fiscal Agent any accrued interest received upon the delivery of the Series "A" Bonds in the Series "A" Bond Fund and any accrued interest received upon the delivery of the Series "B" Bonds in the Series "B" Bond Fund.

Under Section 4.13 of said Bond Resolution, the Local Authority is also required, on or before the first annual contribution date, to withdraw from the Development Fund and deposit with the Fiscal Agent (a) in the Series "A" Bond Fund an amount equal to the interest which will become due on the Series "A" Bonds on the first interest payment date, less the amount, if any, of accrued interest received on the delivery of Series "A" Bonds and deposited in the Series "A" Bond Fund pursuant to Section 3.03, and (b) in the Series "B" Bond Fund an amount equal to the interest which will become due on the Series "B" Bonds on the first interest payment date, less the amount, if any, of accrued interest received upon the delivery of Series "B" Bonds and deposited in the Series "B" Bond Fund pursuant to Section 3.03.

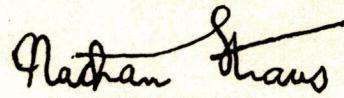
Experience has shown that it is advisable for Local Authorities to make the deposit of the first six months' interest with the Fiscal Agent at the earliest possible time and not to postpone it until the time permitted by the Bond Resolution. Consequently, you are requested, in connection with your first requisition for additional funds after the sale of the Series "A" and "B" Bonds in the initial issue but in no event later than sixty days prior to the first annual contribution date, to include in the Certificate of Purposes an amount equal to the six months' interest coming due on the Series "A" and "B" Bonds on the first interest payment date less the total amount of accrued interest received on the sale of such bonds and deposited with the Fiscal Agent.

If subsequent to such requisition (but prior to the first interest payment date) additional Series "B" Bonds are sold to the United States Housing Authority, you will, of course, deposit with your Fiscal Agent the accrued interest received upon the sale of such bonds, and in addition thereto, immediately withdraw from the Development Fund and transmit to the Fiscal Agent for deposit in the Series "B" Bond Fund the amount of interest which will become due on such additional Series

To All Local Housing Authorities - 2

"B" Bonds on the first interest payment date less the amount of accrued interest received upon the sale of such additional Series "B" Bonds.

Immediately upon making the deposits herein referred to with the Fiscal Agent, you are requested to advise the United States Housing Authority the dates the deposits are made and the amounts so deposited.

  
NATHAN STRAUS  
Administrator

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

September 11, 1941

To All Local Housing Authorities:

SUBJECT: Requisitioning of Funds for Payment of First Six Months' Interest on Series "A" and "B" Bonds

Under Section 3.03 of the resolution authorizing the issuance of its definitive bonds, each Local Authority is required to deposit with its Fiscal Agent any accrued interest received upon the delivery of the Series "A" Bonds in the Series "A" Bond Fund and any accrued interest received upon the delivery of the Series "B" Bonds in the Series "B" Bond Fund.

Under Section 4.13 of said Bond Resolution, the Local Authority is also required, on or before the first annual contribution date, to withdraw from the Development Fund and deposit with the Fiscal Agent (a) in the Series "A" Bond Fund an amount equal to the interest which will become due on the Series "A" Bonds on the first interest payment date, less the amount, if any, of accrued interest received on the delivery of Series "A" Bonds and deposited in the Series "A" Bond Fund pursuant to Section 3.03, and (b) in the Series "B" Bond Fund an amount equal to the interest which will become due on the Series "B" Bonds on the first interest payment date, less the amount, if any, of accrued interest received upon the delivery of Series "B" Bonds and deposited in the Series "B" Bond Fund pursuant to Section 3.03.

Experience has shown that it is advisable for Local Authorities to make the deposit of the first six months' interest with the Fiscal Agent at the earliest possible time and not to postpone it until the time permitted by the Bond Resolution. Consequently, you are requested, in connection with your first requisition for additional funds after the sale of the Series "A" and "B" Bonds in the initial issue but in no event later than sixty days prior to the first annual contribution date, to include in the Certificate of Purposes an amount equal to the six months' interest coming due on the Series "A" and "B" Bonds on the first interest payment date less the total amount of accrued interest received on the sale of such bonds and deposited with the Fiscal Agent.

If subsequent to such requisition (but prior to the first interest payment date) additional Series "B" Bonds are sold to the United States Housing Authority, you will, of course, deposit with your Fiscal Agent the accrued interest received upon the sale of such bonds, and in addition thereto, immediately withdraw from the Development Fund and transmit to the Fiscal Agent for deposit in the Series "B" Bond Fund the amount of interest which will become due on such additional Series

To All Local Housing Authorities - 2

"B" Bonds on the first interest payment date less the amount of accrued interest received upon the sale of such additional Series "B" Bonds.

Immediately upon making the deposits herein referred to with the Fiscal Agent, you are requested to advise the United States Housing Authority the dates the deposits are made and the amounts so deposited.



NATHAN STRAUS  
Administrator

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
WASHINGTON

September 12, 1941

TO ALL LOCAL HOUSING AUTHORITIES:

There is attached hereto copy of a Memorandum Agreement entered into by the representatives of government agencies engaged in defense construction and the Building and Construction Trades Department of the American Federation of Labor pertaining to the labor policy to be followed in defense construction. The Agreement is the result of conference between representatives of the Office of Production Management, the American Federation of Labor, the Maritime Commission, Quartermaster Corps, the Corps of Engineers of the Army, the Federal Works Agency, and the Bureau of Yards and Docks of the Navy Department. This Agreement was approved by the Council of the Office of Production Management on July 22, 1941.

The attached Agreement is limited in its application to the continental limits of the United States and the Panama Canal Zone.

The attached Agreement is the policy of the Federal Works Agency, (of which the United States Housing Authority is a constituent agency) which, having thus obligated itself to its terms confidently expects that they will also be adhered to by local unions and other organizations affiliated with the Building and Construction Trades Department of the American Federation of Labor in order that the important national defense work on construction projects may be prosecuted with the greatest rapidity and maximum efficiency.

The labor policy embodied in this Agreement will be the guide in the formulation and award of all contracts for defense construction hereafter advertised or negotiated and will also be the guide in the administration and performance of existing cost-plus-fixed-fee construction contracts, beginning with the first practicable pay period following receipt of this directive. Contracting officers will advise all contractors accordingly.

Faithfully yours,  


NATHAN STRAUS  
Administrator

Attachment

MEMORANDUM OF AGREEMENT BETWEEN THE REPRESENTATIVES  
OF GOVERNMENT AGENCIES ENGAGED IN DEFENSE CONSTRUC-  
TION AND THE BUILDING AND CONSTRUCTION TRADES DE-  
PARTMENT OF THE AMERICAN FEDERATION OF LABOR

Presented to the Office of Production Management as an outline  
of Labor Policy to be followed in defense construction.

1. Uniform overtime rates.

Where a single shift is worked, eight hours of continuous employment, except for lunch periods, shall constitute a day's work beginning on Monday and through Friday of each week. Where work is required in excess of eight hours on any one day or during the interval from 5:00 p. m. Friday to 7:00 a. m. Monday, or on holidays, such work shall be paid for at 1-1/2 times the basic rate of wages.

2. Uniform shifts.

Where two or more shifts are worked, five days of 7-1/2 hour shifts from Sunday midnight to Friday midnight, shall constitute a regular week's work. The pay for a full shift period shall be a sum equivalent to eight times the basic hourly rate and for a period less than the full shift shall be the corresponding proportional amount which the time worked bears to the time allocated to the full shift period. Any time worked from Friday midnight to Sunday midnight or in excess of regular shift hours shall be paid for at 1-1/2 times the basic rate of wages. Wherever found to be practicable, shifts should be rotated.

3. No Stoppage of work.

The Building and Construction Trades Department of the American Federation of Labor agrees that there shall be no stoppage of work on account of jurisdictional disputes, or for any other cause. All grievances and disputes shall be settled by conciliation and arbitration.

4. Sub-contractors.

It shall be the policy of all Federal contracting agencies to require the utilization of specialty sub-contractors on those parts of the work which, under normal contracting practices, are performed by specialty sub-contractors subject, however, to the following:

- (a) When a general contractor can demonstrate that specialty work has been customarily performed by his own organization and that his existing organization is competent to perform the work, he may be permitted to do so.

(b) Where the performance of specialty work by specialty subcontractors will result in materially increased costs or inordinate delays, the requirement hereinbefore mentioned may be waived.

On negotiated contracts, the decision as to which parts of the work will be performed by sub-contract will, in so far as may be practicable, be made at the time the contract is negotiated.

5. Predetermination of Wages

In predetermining the minimum wage which is to be paid to contractor's employees on the specific construction job, consideration shall be given to the rates prevailing in the area from which labor must be drawn to man the job and to new wage rates which have been negotiated and concluded through bona fide collective bargaining processes which will take effect at a future date.

Wage rates paid at the start of work on a project shall continue until the completion of the project, or not more than one year, and new agreements or new determinations of wages for work in the same area will become effective only on new jobs started or new contracts signed after the employer-employee agreement has been negotiated.

6. Application of Agreement

Any contract work done for or through any federal agency for defense purposes within the continental limits of the United States and the Panama Canal Zone shall be governed by this labor policy.

It is understood that the provisions of this agreement shall apply only to national defense projects.

7. Apprentices

It is agreed that the number of apprentices used shall be limited to the number agreed upon between the respective unions and contractors and approved by the Department of Labor in the case of those unions and employers associations that have established apprenticeship standards in conjunction with the Department of Labor and the number of apprentices in other cases shall conform to the usual practice prevailing between the unions and the employers associations of the respective trades.

8. Board of Review

There shall be constituted a Board consisting of a representative of the Government Agencies, a representative of the Building and Construction Trades Department of the A. F. of L. and a representative of the OPM. It shall be the function of this Board to interpret the provisions of this agreement, to adjust disputes arising hereunder, and the findings of the

Board shall be binding on the parties to the agreement. In case of a dispute involving a specific Governmental Agency, that agency may designate a representative as a temporary member of the Board for the mediation of that dispute. The Board shall have no authority to encroach upon or to relieve any Governmental Agency of its legal authorities and/or responsibilities.

Attachment to  
letter to all  
Local Authorities  
September 12, 1941

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
WASHINGTON

September 27, 1941

To All Local Housing Authorities

Subject: Submission of Financial Reports to the USHA

The following procedure is effective immediately and supersedes all previous instructions heretofore issued with respect to the submission of Financial Reports to the USHA:

Monthly Financial Reports

Local Authorities will be required to submit to the appropriate USHA Regional Office a financial report with respect to the development of the project for each month, beginning with the month during which the first advance of funds is made by the USHA and continuing until the close of the month following the issuance of the Physical Completion Notice by the USHA. Such Monthly Financial Reports should be submitted on or before the fifteenth of the month following the close of the month for which the report is made, and should consist of the following:

- (1) General Balance Sheet (original and two copies)
- (2) Analyses of Expenditures and Budget Control Statement (Form USHA-213) for each development (original and two copies)  
(When no changes occur during the month a statement to that effect included in the report may be submitted in lieu of this form)
- (3) Income and Expense - Budget Control Statement (Form USHA-621) for each development (original and four copies)  
(This statement to be submitted quarterly subsequent to the end of the Initial Operating Period)
- (4) Journal Vouchers (one copy)
- (5) Affidavit (original only)

Quarterly Financial Reports

Within fifteen days after the close of each quarter annual period ending on March 31, June 30, September 30 and December 31, the Local Authority should submit to the appropriate USHA Regional office a Quarterly Financial Report on operations. The first such quarterly report will be for the first three months following the

All Local Housing Authorities - 2

end of the Initial Operating Period. Each quarterly report will consist of the following (including the requirements of monthly report due on the same date):

- (1) General Balance Sheet (original and two copies)
- (2) Analyses of Expenditures and Budget Control Statement for each development (Form USHA-213 in an original and two copies) (When no changes occur during the month a statement to that effect included in the report may be submitted in lieu of this form)
- (3) Income and Expense - Budget Control Statement for each development (Form USHA-621) (original and four copies)
- (4) Journal Vouchers (one copy)
- (5) Affidavit (original only)

General Balance Sheet

The balances to be reported on the General Balance Sheet are for the statutory project totals only, and need not reflect breakdowns as between developments. There should be submitted with the Balance Sheet, however, and properly identified, the following supporting schedules. The schedules marked with an asterisk (\*) should reflect the portion of the amount applicable to each development within a statutory project:

(1) Accounts Receivable:

- \* Tenants' Accounts (only the total amount of tenants' arrears for each development should be reported)
- \* Sundry

(2) Fiscal Agent Accounts:

(Indicate separately the balances in Accounts No. 1151 through 1157)

\* (3) Contract Awards:

(4) Reserves:

- \* Repairs, Maintenance and Replacements Reserve
- \* Vacancy and Collection Loss Reserve

(5) Income and Expense Clearance Accounts:

(Complete Analysis)

Use of Revised Form USHA-621

Local Authorities are requested to use the form of Income and Expense - Budget Control Statement (USHA-621) revised March 15, 1941 a facsimile of which appears on page 24 of Addendum I of the Accounts Manual. The forms are furnished by the USHA and should be requisitioned through the appropriate USHA Regional Office.

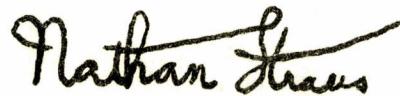
Assembling and Binding of Financial Reports

The financial reports should be assembled and bound in four separate sets, as follows:

<u>Sets</u>	<u>Balance Sheet</u>	<u>Form USHA-213</u>	<u>Form USHA-621</u>	<u>Journal Vouchers</u>	<u>Affidavit</u>
(1) Original	1	1	1	1	1
(2) Duplicate	1	1	2	none	none
(3) Duplicate	1	none	1	"	"
(4) Duplicate	none	1	1	"	"
Total	3	3	5	1	1

Schedules supporting the Balance Sheet as previously described, should be included and bound in each of the reports containing a Balance Sheet. Copies of Quarterly Financial Reports are required to be submitted to the original purchaser of the Series "A" Bonds and the Fiscal Agent at the close of the first calendar quarter following Bond Date, as well as copies of each and every financial report subsequently submitted to the USHA, excluding the Monthly Financial Reports required to be submitted to the USHA until the issuance of the Physical Completion Notice. In this connection the memorandum accompanying each financial report submitted to the USHA listing the contents of the report should state the date upon which a copy of it was transmitted to the original purchaser of the Series "A" Bonds and the Fiscal Agent.

The instructions contained in this memorandum apply to both USHA-aided and PWA Projects leased to Local Housing Authorities, except that reports of the PWA Projects will not include a copy of Form USHA-213.



NATHAN STRAUS  
Administrator

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
WASHINGTON  
September 30, 1941

To All Local Housing Authorities

Gentlemen:

There has recently been established within the Federal Works Agency a Public Work Reserve, to stimulate and direct the building up of a reservoir of needed public work projects that might be undertaken by state and local agencies at the end of the defense emergency, with or without Federal financial assistance. The PWR will operate with Work Projects Administration funds, under the sponsorship and general supervision of the Federal Works Agency in cooperation with the National Resources Planning Board.

While the Reserve is to be regarded as a cushion against post-war depression, in the evaluation of projects emphasis will be placed upon the real needs of the community. The Reserve will embrace not only projects of the capital improvements type such as housing, conservation work, schools, etc., but also public services such as public health and recreation, adult education, retraining of defense workers, etc.

It is hoped that the Public Work Reserve will lead to careful itemizing of all needs, and eventually to careful programming of public works by state, county, and municipal authorities, and to the coordination of these plans with each other and with plans on a national scale. Lists of projects will be continuously revised and corrected, in order that needs may be evaluated constantly in the light of changing conditions. Preliminary surveys indicate that a backlog of needed works and services now exists, to the extent of four or five billion dollars worth of work per year.

All agencies concerned with post-defense planning are agreed that housing must play a substantial role in the post-defense period. Local housing authorities ought to undertake a major share of planning public housing projects, with the cooperation and assistance of the USHA. Moreover, the planning need not be limited to the present scale of USHA operations, to present methods of financing USHA operations, or to slum-clearance in the narrow sense. Plans should attain the proportions of a long-run program for solution of the whole problem of blighted areas and slums. In this connection your Authority should work closely with other appropriate state or local governmental agencies to coordinate a program of housing and related public works, such as streets, sewers, parks and playgrounds, schools, etc. Plans might well include the elimination of slums with the use of slum

sites which are not suited for housing for other public purposes. Of course, since the PWR is concerned only with public work to be carried out through State or Local governmental agencies, the actual prospectuses submitted should be limited to projects which involve participation of State or Local governmental agencies.

The State Director of the PWR for your locality may be expected to contact you in the near future to explain more fully the purpose of PWR, to provide you with prospectuses (a sample of which is enclosed), and to assist you in filling them out. The regional office of the USHA will also assist you in preparing prospectuses. In addition to the number of copies required by PWR, one copy should be retained for your own files, and one copy forwarded to the regional USHA director. The PWR has no funds for the actual construction of projects; its financial aid will be limited to the planning stages. Therefore, the acceptance of prospectuses by the PWR will involve no commitments as to funds for executing projects.

Where a survey of housing needs has been made and such survey indicates needs for which your Authority has no funds available, a prospectus should be completed indicating the size of such needs. Local Authorities which have not made surveys of the needs within their area of operation should postpone the filing of prospectuses until such needs are determined, but should indicate any financial assistance needed in making such a survey. The exact extent to which funds will be made available through the PWR is not yet determined, but it is expected that money will be provided for surveys and programming.

The enclosed brief questionnaire is designed to assist the USHA, in cooperation with the PWR, to determine the extent to which housing surveys are immediately available, and the need for further surveys. It is suggested by both the PWR and the USHA that you fill in this questionnaire and return it to the USHA Regional Director.

The name and address of the PWR Director for your State may be obtained from the USHA Regional Director, or from the PWR field representative for your region. For your information, we are enclosing a list of the Washington staff of the PWR; also a list of the PWR field representatives.

Faithfully yours,



NATHAN STRAUS,  
Administrator.

Enclosures

## Q U E S T I O N N A I R E

- I. Has a complete survey of housing needs within the area of operation of your Authority been made?
- II. If so, how many dwelling units are shown to be needed?  
When was it made?  
By what agency was it made?
- III. If no complete survey has been made, list the partial surveys, if any, which have been made, giving a brief description of each such survey.
- IV. If no complete survey has been made, describe the extent of a survey which would be necessary, together with former surveys, to give complete information as to needs, and list the assistance (technical, clerical and other) necessary to make such a survey.

WASHINGTON STAFF OF THE PUBLIC WORK RESERVE

Coordinator, Jacob Baker, Planning Consultant, Federal Works Agency  
Director, E. C. Smith, Jr., Public Work Reserve  
Representative of National Resources Planning Board, Frank Herring  
Technical Consultant, M. E. Scheidt, Capital Improvements  
Technical Consultant, Charles Lawrence, Public Services  
Angus Cameron, Consultant on Plans and Specifications

FIELD REPRESENTATIVES OF THE PUBLIC WORK RESERVE

For the Eastern States:

Fred Childs,  
265 West 14th St.,  
N York City.

For the Western States:

Robert Mead,  
745 Monadnock Building,  
681 Market St.,  
San Francisco, California

For the Southern States:

J. Banks Hudson,  
907 Canal Bank Building,  
New Orleans, Louisiana.

For the North Central States:

Charles Miner,  
Suite 2220, 222 West North Bank Drive  
Chicago, Illinois

National Resources Planning Board Consultants are:

William Stanley Parker, Boston, Massachusetts;  
Sidney T. Thomas, Washington, D. C.  
Otto Croy, Portland, Oregon;  
C. E. Hickock, Berkeley, California  
Royden E. Reed, Dallas, Texas

(Governmental unit)  
PROPOSED CAPITAL IMPROVEMENT PROGRAM

## INDIVIDUAL PROJECT PROSPECTUS

Stat

Date \_\_\_\_\_

Prospectus number \_\_\_\_\_

DO NOT USE THIS SPACE

## 1. Project proposed for:

(Department) \_\_\_\_\_

(Bureau) \_\_\_\_\_

by: \_\_\_\_\_

(Name) \_\_\_\_\_

(Title) \_\_\_\_\_

(Address) \_\_\_\_\_

2. Other governmental agencies interested (Federal, State, county, city, etc.):  
\_\_\_\_\_  
\_\_\_\_\_

## 3. Project location:

County \_\_\_\_\_

In  Near  In and near  \_\_\_\_\_

(City, town, village, township, etc.) \_\_\_\_\_

Detailed location of project \_\_\_\_\_  
\_\_\_\_\_

## 4. Purpose and description of work:

## (a) Major purpose:

(b) Description of work (type single space, use separate sheet if necessary):  
\_\_\_\_\_

## 5. Estimated costs:

Total \_\_\_\_\_ \$ \_\_\_\_\_

Construction: \_\_\_\_\_ \$ \_\_\_\_\_

Land cost: \_\_\_\_\_ \$ \_\_\_\_\_

Equipment installed (furniture, machinery, etc.): \_\_\_\_\_ \$ \_\_\_\_\_

Others: \_\_\_\_\_ \$ \_\_\_\_\_

## 6. Estimated duration:

(Months) \_\_\_\_\_

## 7. If complete plans are not available, give estimate to produce complete plans.

Cost: \$ \_\_\_\_\_ Time: \_\_\_\_\_

## FOR USE OF PUBLIC WORK RESERVE ONLY

## A. Governmental level of:

Proposing agency \_\_\_\_\_ Interested agency \_\_\_\_\_

(1) Federal \_\_\_\_\_    
 (2) State \_\_\_\_\_    
 (3) County \_\_\_\_\_    
 (4) Local \_\_\_\_\_    
 (5) Other \_\_\_\_\_

## B. Scope (area of operation):

(1) Nation-wide \_\_\_\_\_   
 (2) Area-wide \_\_\_\_\_   
 (3) State-wide \_\_\_\_\_   
 (4) District-wide \_\_\_\_\_   
 (5) County-wide \_\_\_\_\_   
 (6) City-wide \_\_\_\_\_   
 (7) Local \_\_\_\_\_

## FOR USE OF LOCAL OFFICIALS

## C. Is work:

(1) New construction \_\_\_\_\_   
 (2) Addition \_\_\_\_\_   
 (3) Major repairs and alterations \_\_\_\_\_

## D. Status of plans and site:

(1) Preliminary estimate \_\_\_\_\_   
 (2) Survey begun \_\_\_\_\_   
 (3) Survey completed \_\_\_\_\_   
 (4) Sketches in prep \_\_\_\_\_   
 (5) Sketches completed \_\_\_\_\_   
 (6) Detail plans in prep \_\_\_\_\_   
 (7) Detail plans completed \_\_\_\_\_   
 (8) Specifications completed \_\_\_\_\_   
 (9) Land acquired \_\_\_\_\_

## E. Priority need:

(1) Preferred \_\_\_\_\_   
 (2) Desirable \_\_\_\_\_   
 (3) Deferrable \_\_\_\_\_

## F. Estimated increase or decrease in annual Operating Budget due to Project:

Inc. or Dec.

Maintenance: \$ \_\_\_\_\_   
 Operation: \$ \_\_\_\_\_   
 Staff: \$ \_\_\_\_\_   
 Debt service: \$ \_\_\_\_\_   
 Total: \$ \_\_\_\_\_

8. Is proposed work scheduled in regular program: Yes  No  Project planned to start \_\_\_\_\_  
(Month and year)

9. Proposed method of financing project: \_\_\_\_\_  
(Bond issue, special assessment, current revenue, or other—specify)

10. Expected source of local funds for operation and maintenance: \_\_\_\_\_  
(Regular tax funds, school tax, property improvement tax, or other—specify)

11. Estimated useful life of project in years \_\_\_\_\_

12. Resulting percentage increase in facilities (based on services rendered or capacity increase) \_\_\_\_\_

13. Status of existing utilities for project: Water supply  Sewage disposal  Heat  Power  Roads  Other

14. Does project comply with standards required by other governmental agencies? Yes  No  Which agency? \_\_\_\_\_  
Has it approved project? Yes  No  What comments were made? \_\_\_\_\_

15. Have funds for the execution of this project, or any part thereof, ever been requested from any Federal agency? Yes  No   
If "Yes," designate agency \_\_\_\_\_; date \_\_\_\_\_; Federal funds requested \$ \_\_\_\_\_;  
Allotted \$ \_\_\_\_\_; proposed local financing \$ \_\_\_\_\_; and Federal docket or project number \_\_\_\_\_

16. Portion of work previously done \_\_\_\_\_ percent

17. Present ownership of property upon which project would be located is \_\_\_\_\_ owned property.  
(Federal, State, county, private, part private, and part State-owned, etc.)

18. Justification of project (use separate sheet if necessary): \_\_\_\_\_

Statement of proposing agency's representative: \_\_\_\_\_ Date \_\_\_\_\_

I have examined this prospectus and believe that the improvement proposed, if constructed, would provide a needed public service or facility.

By: \_\_\_\_\_ Name (type or print) \_\_\_\_\_ Title \_\_\_\_\_ Signature \_\_\_\_\_

Prospectus forwarded by: \_\_\_\_\_

Signature of Public Work Reserve Representative

Date \_\_\_\_\_ (Title) \_\_\_\_\_

DO NOT USE THIS SPACE

U. S. GOVERNMENT PRINTING OFFICE : 1941 — O — 16

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

October 6, 1941

TO ALL LOCAL HOUSING AUTHORITIES:

Subject: Procedure for Handling Fire, Extended Coverage, and Earthquake Losses for USHA-aided Projects.

In order to expedite the settlement and handling of losses the following procedure should be followed in the event of damage caused by fire, lightning, windstorm, cyclone, tornado, hail, explosion, riot, riot attending strike, civil commotion, air craft, vehicles, smoke damage or earthquake:

When a loss occurs two copies of the report of damage should be submitted to the USHA together with two copies of all correspondence to insurance carriers. The report should include the following:

- (1) The location, date, hour, and cause of the damage.
- (2) The extent of the damage.
- (3) The estimated cost to make complete restoration.

LOSSES UNDER \$250

The check from the carrier in payment of losses of \$250 or less should not include the USHA as payee and should not be submitted to the USHA for endorsement. When the restoration has been completed and a check in payment received from the insurance carrier two copies of the following are to be submitted to the USHA:

- (1) Certification that the property has been restored to its condition prior to the damage.
- (2) Statement of the actual cost of repair, and the amount of the check from insurance carrier.

LOSSES OVER \$250

The check from the insurance carrier in payment of losses which exceed \$250 shall name the Local Housing Authority and the USHA as payees and is to be submitted to the USHA for endorsement, together with two copies each of certification of restoration and the statement of the actual cost of repairs.

To All Local Housing Authorities - 2

Each check in payment of loss should be deposited to the account from which the money was withdrawn to cover the cost of restoration.

The following endorsement should be secured from the insurance carrier and attached to each fire and extended coverage policy on USHA-aided projects: "It is understood and agreed that all checks issued by the company in payment of losses shall, if the damage exceeds \$250, be made payable to the (Local Housing Authority) and the United States Housing Authority. It is further agreed that checks in payment of damage not exceeding \$250 shall name as payee the (Local Housing Authority) only." A copy of this endorsement should be forwarded to the USHA to be attached to the copy of the policy on file.

Faithfully yours,

  
NATHAN STRAUS  
Administrator

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

October 20, 1941

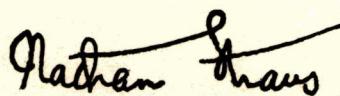
To All Local Housing Authorities:

SUBJECT: Investment of Reserve Funds in Defense Savings Bonds

Under Section 4.05(F) of the Bond Resolutions of local housing authorities, they are authorized to invest any moneys in the Reserve Fund (for Repairs, Maintenance, and Replacements and for Vacancy and Collection Losses) in excess of \$2,000 in the direct or fully guaranteed obligations of the United States of America which mature in not more than ten years from the date of purchase. Under Section 5.06 of the Bond Resolution, local authorities may request their Fiscal Agents to invest all moneys in the Series A Reserve Fund and any moneys in the General Bond Reserve Fund in excess of \$1,000 in the same kind of obligations.

I wish to call to your attention that in the opinion of the USHA local authorities may invest the funds referred to in the above sections of the Bond Resolutions in either Series F or Series G Defense Savings Bonds. Although the maturity of such bonds is twelve years from the date of issue, they are redeemable at the option of the owner, on one month's written notice after six months from the date of issue, at not less than the issue price (with an adjustment for interest in the case of Series G). In effect, while these bonds may be outstanding for a period of twelve years, they really mature at any time after six months at the option of the owner.

As you no doubt are aware, the purpose of the provisions in the above sections of the Bond Resolutions is to avoid the possibility of the sustaining of a loss by local authorities, at the time it might be necessary for them to reconvert the investments of their reserve funds into cash, because of possible fluctuations in the price of long-term Government bonds. Series F Defense Savings Bonds are admirably suited to this purpose since they are redeemable at not less than the issue price. I believe that it would be wise, as well as patriotic, for local authorities to invest their reserve funds in such bonds, particularly in Series F, and to instruct their Fiscal Agents to invest the moneys in the Series A Reserve Fund and the General Bond Reserve Fund, to the extent permitted by the Bond Resolution, in such bonds.

  
NATHAN STRAUS  
Administrator

Admin ✓

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

OCT 27 1941

October 22, 1941

To All Local Housing Authorities:

On September 12, you were sent a copy of a Memorandum of Agreement pertaining to the labor policy of the Federal Works Agency (of which the United States Housing Authority is a constituent agency) to be followed in defense construction.

This Agreement in no way abrogates the established non-discrimination policy of the United States Housing Authority relative to the employment of Negro labor. This policy was extended by the "Manual of Procedures for Lanham Act Projects" (See issuance coded LG-2-LHA) to include Lanham Act projects developed by Local Housing Authorities under United States Housing Authority supervision.

Local Housing Authorities, when designated to act as agents of the Federal Works Agency in the development of Lanham Act defense housing projects, will be guided by the non-discrimination policies promulgated by the Federal Works Administrator and contained in Racial Relations Regulations, Numbers 1 and 2.

On June 25, 1941, the President of the United States issued an Executive Order reaffirming the non-discrimination policy of the Government and declaring it to be the duty of employers and of labor organizations "to provide for the full and equitable participation of all workers in defense industries, without discrimination because of race, creed, color, or national origin."

Copies of the President's Executive Order, Defense Manual Procedure coded LG-2-LHA, and FWA Racial Relations Regulations, Numbers 1 and 2, are attached herewith and will serve along with the Memorandum of Agreement, dispatched on September 12, to guide you in the formulation and award of all contracts for defense construction. Local Housing Authorities which have Lanham Act projects under construction will advise the contractors accordingly.

Faithfully yours,

*Nathan Straus*

NATHAN STRAUS  
Administrator

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

February 11, 1942

TO LOCAL HOUSING AUTHORITIES

Attention of Project Managers

We are enclosing a copy of Sections 5(a), 5(b), and 5(c) of the Master Model Management Resolution. Section 5(b) establishes Occupancy Limits for admission of families and Section 5(c) the limits after admission. Due to the difficulties that Local Housing Authorities have experienced in moving families that have outgrown their dwellings to larger units, Occupancy Limits for admission have been so established as to permit family growth.

Since these standards have been in operation for some time, we would like your opinions on their workability based on the experiences you have had with the projects that are now occupied or being occupied.

We are particularly interested in your opinions on:

Sections 5(b)(1) and (2), which base Occupancy Limits on bedroom areas; Sections 5(b)(4) and 5(c)(4) on the use of living rooms for sleeping purposes; and Sections 5(b)(1) and 5(c)(1) which specify the ages of children to occupy parents' bedrooms.

Any other comments you may wish to make on these standards will be greatly appreciated.

Very sincerely yours,

*Leon H. Keyserling*  
LEON H. KEYSERLING  
Acting Administrator

Enclosure

## OCCUPANCY LIMITS

Sec. 5 (a) In determining eligibility relative to conformance to occupancy limits, every member of the family regardless of age shall be counted.

Sec. 5 (b) The occupancy limits for admission shall be as follows:

(1) Bedrooms of 100 sq. ft. floor area or more shall be occupied by not more than two persons except that a child of less than one year of age may occupy the parents' bedroom where the floor area of this room is not less than 120 sq. ft. and provided that the room has been designed to accommodate an infant's crib and other necessary furniture.

(2) Bedrooms of less than 100 sq. ft. shall be occupied by not more than one person.

(3) Bedrooms shall be occupied only by persons of the same sex except for married couples and children less than 6 years of age.

(4) Living rooms shall not be used for regular sleeping quarters except those in one-bedroom units when considered necessary to fill these units or when two-member families require two sleeping rooms.

(5) Families shall be assigned to the smallest unit suitable for their needs as determined from the above standards. In any event, every bedroom shall be occupied by at least one person.

Sec. 5 (c) The occupancy limits after admission shall be the same as the occupancy limits for admission except:

(1) A child up to 2 years of age may occupy the parents' bedroom.

(2) Two children of opposite sex up to 8 years of age may occupy the same bedroom.

(3) Living rooms in dwellings with more than one bedroom may be used for sleeping quarters for not more than one person and then only in cases where this room has been designed with reasonable privacy, that is, where it is not necessary to pass through this room to get to the bathroom or other bedrooms. The living room is not considered satisfactory sleeping quarters for a child of school age, an elderly person, or persons in poor health.

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

February 11, 1942

TO LOCAL HOUSING AUTHORITIES

Attention of Tenant Selection Supervisors

The Central Office is greatly in need of information that will assist in determining unit size distribution for new projects. Occupancy has been considerably slowed up in a number of projects because unit size distribution has not been consistent with the family size and composition of eligible families. In some projects eligible families have had to be turned away because units suitable in size have not been available.

We believe that a review of the Report on Applications immediately prior to the date upon which your development was 95% occupied will serve as a guide to you in determining what the unit distribution should have been. If applications were not taken from all families because dwellings of suitable size were not available for them, these should also be included in making the following distribution.

Project Development No.	Total Units Built	Proper Distribution of Units			
		1 bedroom	2 bedroom	3 bedroom	4 bedroom

Since it is most desirable to establish the proportion of 1, 2, 3, and 4-bedroom units that will properly house the eligible families, we are requesting you to supply us with the above information as soon as possible.

Very sincerely yours,

*Lee F. Johnson*  
Lee F. Johnson  
Assistant Administrator  
for Management

OK

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
WASHINGTON

November 6, 1941

To Local Housing Authorities

Gentlemen:

For some time past we have all been concerned about the increased use of small manufacturers in government work, both to foster a continuation of such enterprises and to provide greater facility for the construction of housing projects.

Although any stipulations governing the source from which contractors draw their materials would be impractical under a lump sum bidding basis, we are giving as much encouragement as possible by sending the following letter to all contractors:

"This is to call to your attention a policy which the United States Housing Authority considers important to follow whenever possible in the awarding of contracts for materials for housing projects.

"It is recommended that special consideration be given to the small manufacturers in the awarding of such contracts. This policy is of national interest, since it will enable these small but important plants to continue operation. It is also believed that it may be possible to speed our construction program by getting more prompt deliveries from these small manufacturers than from the large plants already having a large volume of defense work.

"You are accordingly urged to cooperate in distributing as much work as possible to the small manufacturers."

We urge that you cooperate in using your influence to see that these small manufacturers are given particular attention.

Faithfully yours,

*Nathan Straus*

NATHAN STRAUS  
Administrator

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
WASHINGTON

November 6, 1941

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To All Local Housing Authorities

Gentlemen:

*2nd Elimin*

The United States Housing Act of 1937, as amended, provides that the United States Housing Authority may not make any annual contributions with respect to a project involving the construction of new dwellings, unless the project includes the elimination of a substantially equal number of unsafe or insanitary dwellings in the locality or metropolitan area.

The elimination of such dwellings is reported by the local authorities on Form USHA 444, "Elimination of Unsafe or Insanitary Dwellings," which should be submitted in triplicate at the close of each two-month period after the date of the Contract for Loan and Annual Contributions.

In the past separate reports have been required for each development within a statutory project. A statutory project consists of all developments under one Contract for Loan and Annual Contributions. Reporting by developments will be discontinued. Hereafter, equivalent elimination reports should be made on the basis of statutory projects. It is essential, however, that the report "Elimination of Unsafe or Insanitary Dwellings," Form USHA 444, designate the developments covered in the statutory project for which credit of equivalent elimination is being requested. Until a new supply of forms is printed, the designation of the developments within the Contract should be made on the line "Project Number." No entry is necessary on the line "Name of Project," since the report will cover all developments within the Contract.

Faithfully yours,

*Nathan Straus*  
NATHAN STRAUS  
Administrator

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

November 10, 1941

To All Local Housing Authorities

Subject: Accounting Instructions with Respect to  
Payments to Architects under Contracts  
Awarded on the Basis of Costs-Plus-Fixed-  
Fees

1. Revised Form of Architect's Contracts - USHA-aided Projects

A revised form of Architect's Contract (USHA-426-Pending Revision 4-2-41) has been prepared and is suggested for the use of those Local Authorities in making awards in the future covering Architectural services in connection with projects to be constructed under the United States Housing Act, as amended. These instructions relate to the revision of the basis of compensation for services, which contemplate the payment of a fixed fee, established in a prescribed manner, plus the actual amount of pay rolls and certain other items of cost, in lieu of the former method of payment of only a fixed fee. This revised plan unless otherwise specifically stated in the contract does not apply to payments for civil and mechanical engineering and landscape architectural services, compensation for which will continue to be paid on a lump sum fee basis, in installments as provided in the contract, covering full compensation, excepting authorized expense for travel to and from USHA offices and upon a pre-determined basis of computation.

2. Payment of Fixed Fees Under Contract

The contract will prescribe the conditions under which installments of the Fixed and Lump Sum Fees become due and payable. Accounts Payable Vouchers prepared to cover the fees of the Architect, as well as the fees due and paid by the Architect for civil and mechanical engineering and landscape architectural services, shall be made payable to the Architect and supported by statements indicating that the amounts due are in accordance with the conditions of the contract. Payments by the Architect for fees for civil and mechanical and landscaping services performed by others may be made prior to payment being made therefor by the Architect, but receipted invoices indicating payment of such fees shall be submitted by the Architect prior to each subsequent payment by the Local Authority.

Amounts due the Architect on the Fixed and Lump Sum Fees in the contract should be submitted on separate statements from those representing reimbursable expenditures and covered by separate Accounts Payable Vouchers.

3. Determination of Commitment Under Contract

In order for the Local Authority to properly maintain the books of account and prepare the monthly financial statements, it is essential to establish an amount representing the maximum liability to be incurred by the Local Authority under the Architect's contract. Should the Local Authority not elect to stipulate in the contract limitations on the Architect's reimbursable expenses, thus limiting the total amount to be encumbered, it is advisable that the amounts included for architectural and engineering costs in the approved estimates for the project be considered as the maximum liability to be incurred, until at a later date a nearer estimate of the actual costs may be determined, at which time the appropriate adjustments may be made on the books of account.

4. Scope of Architects' Reimbursable Costs

(a) The Architect's contract will stipulate specifically the types of costs that are eligible for reimbursement thereunder, and the Architect shall maintain an efficient and accurate cost keeping system as to all costs incurred by him exclusively applicable to the work under the contract, and his accounts at all reasonable times shall be open to the inspection of authorized representatives of the Local Authority and/or the USHA. Expenditures made by the Architect prior to the date of the execution of the contract falling within the categories specified in the contract, if otherwise proper and reasonable, may be included in the costs for which the Architect shall be entitled to reimbursement, the amounts and nature of which should be established prior to the execution of the contract.

(b) The cost analysis record to be maintained by the Architect shall provide for the segregation of the several types of costs into the categories established in the contract, so that the current, (monthly or weekly) and the cumulative (from inception to date) amounts of each type of costs are always available for examination or audit by the Local Authority or the USHA.

(c) No disbursement shall be made by the Local Authority to the Architect as an advance to apply on work not yet performed or for other costs for which payment has not been made

by the Architect, except installments due on lump sum fees as provided by the contract, and all other disbursements made by the Architect, for any purpose, for which a claim for reimbursement is submitted and which is adequately supported by receipted pay rolls or paid invoices.

(d) The Architect's contract does not contemplate that reimbursement can be made by the Local Authority for expenditures incurred for nonexpendable equipment, such as office furniture and equipment, drafting instruments or similar items with which an established architectural firm should be equipped, but only for such types of costs as are stipulated therein.

##### 5. Payment of Reimbursable Costs to Architects

The review and approval of and the reimbursements by the Local Authority for the disbursements made by the Architects for costs incurred within the scope of the contract will be facilitated by observance of the following procedure:

(a) Pay Rolls - The Architect shall maintain a complete pay roll record, supported by time tickets signed by each employee, from which may be prepared the pay rolls to support his disbursements for personal services and his claim for reimbursements therefor. The forms for use in submitting the pay rolls will not be supplied but will be prescribed by the Local Authority with the use of the appended specimen. If it is the practice of the Architect to pay employees weekly the form may be designed accordingly.

Each employee of the Architect coming within the scope of the terms of the contract, the cost of whose services is reimbursable, shall indicate separately on his time ticket the straight time and the over time and the rates applicable to each, and the separation shall likewise be made daily on the pay roll when it is prepared.

It is essential that the Local Authority either include in the contract or otherwise require compliance by the Architect with the prevailing labor regulations in the particular location with respect to rates of pay, when his work week begins, and the number of hours that constitute a work day or work week which shall be worked prior to payment of over time rates.

The original of the pay roll for attachment to the Accounts Payable Voucher, shall accompany the Architect's statement and unless space is provided on the pay roll for

Local Housing Authorities - 4

the signatures of employees as shown on the appended specimen, a receipt shall be obtained from each employee appearing thereon and attached to the original pay roll, the form and content of which should be as follows:

....., 19....

Received from .....,  
the same being in full settlement for services  
performed by me as .....  
from....., 19... to ....., 19...,  
inclusive, consisting of ..... at  
\$..... per ..... and representing time  
devoted exclusively to work connected with Project  
No....., located at .....

.....  
The foregoing is a true and correct statement.

Signed.....

(b) Social Security Taxes and Compensation Insurance - The costs to the Architect resulting from Social Security Taxes and other special forms of Tax based upon pay rolls applicable to the work under contract, including earned amounts of compensation insurance are reimbursable but not prior to the payment thereof by the Architect, as evidenced by appropriate receipts to support his claim for reimbursement. Reimbursement for pay roll expenditures shall be for the net amount received by the employee and not the gross amount earned.

(c) Telephone, Telegraph, Freight and Express - Only the cost of long distance calls with respect to the work under contract is eligible for reimbursement, the claims for which should be supported by the paid telephone toll receipts accompanied by statements indicating when, by whom and to whom the calls were made and a brief summary of the nature and purpose of the calls.

All costs incurred for freight and express charges for which reimbursement is claimed must relate to the work under the contract, and the paid freight and express bills or receipts, shall accompany the Architect's claim with descriptions of the contents of shipments.

(d) Travel - The costs of travel performed with respect to the execution of the work under the contract are reimbursable, provided that, (1) the necessity and authority therefor has received prior written approval of the Local Authority, (2) a basis for computing the reimbursement has been predetermined and (3) that the claim for reimbursement for the travel be supported by paid receipts for all expenditures in excess of \$1.00, including the cost of rail and Pullman tickets.

It is suggested that upon execution of the contract that an agreement between the Local Authority and the Architect be reached concerning travel which will establish as a basis of reimbursement the cost of transportation plus a per diem allowance not to exceed \$5.00 per day in lieu of subsistence, which would obviate the necessity for obtaining receipts for hotel bills and meals, such allowance to be computed commencing at midnight at the rate of \$1.25 for each fourth of a calendar day or fraction thereof that the traveler is away from his established post of duty. Should the travel performed represent departure from and return to resident station or post of duty within the normal work day, no allowance for per diem is allowable.

Approval may be given to perform travel in privately owned automobiles the cost of which will be reimbursable at the rate not to exceed five cents per mile, for the most direct route from official station to destination and return, provided the trip cost of such travel is not greater than if performed by common carrier (rail plus Pullman). If the cost of travel by private automobile is cheaper than by common carrier reimbursement should be made for the lesser amount. In supporting the claim for reimbursement for travel performed in a privately owned automobile the dates and hours of departures and arrivals and the number of miles traveled shall be incorporated in the statement.

When two or more representatives of the Architect perform official travel in a privately owned automobile reimbursement for such costs will be the same as if only one representative performed the travel in this manner, and the statement of the travel should indicate the names of those accompanying the traveler who submits voucher for reimbursement.

(e) Blue Prints, Photostats and Specifications - The Architect should require that the vendors indicate on the invoices which cover costs for processing the plans and specifications and other similar or related items, a description that is sufficiently adequate, such as square feet and unit prices, to enable their identification specifically with the work under contract.

#### 6. Architect's Periodical Claim for Reimbursement

The Architect should be required to prepare and submit his monthly claim for reimbursement of expenditures not less frequently than on or before the tenth of each month.

The statement shall be a detailed itemization of the expenditures for the period for which it is submitted and each disbursement indicated therein must be supported by evidence of such disbursement, the original supporting documents being attached to the original Accounts Payable Vouchers. When only the original of a supporting evidence of expenditure is available, as in the case of express or freight receipts, the original shall be attached to the original voucher and conformed copies prepared for such other use as is required.

There shall be included with each monthly statement a cumulative analysis of the disbursements made for those items, the total costs of which have been restricted by the Architect's contract, which analysis will reflect a comparison of the expenditures with the budgeted or restricted amounts, for each.

Amounts due the Architect on the fixed fees shall not be included in the monthly statement covering architectural expenditures. A separate statement shall be submitted covering installments due on the fixed fees and the statement shall contain the following, duly certified by the Architect:

I certify that the above amount due for architectural fee is correct and just and that payment therefor has not been received.

Dated.....19... Name of Architect.....

On each copy of the monthly statement that is submitted for reimbursement the following affidavit shall be typed and signed by the Architect, and sworn to by a notary public:

"I certify that the above account and schedules annexed are just and true in all respects; that they

represent amounts disbursed by me, reimbursement for which has not been received, and that the services for which payments have been made were performed."

Signed .....

Subscribed and sworn to before me at.....,

this ..... day of ....., 19...

\*Seal\*

.....  
Notary Public

#### 7. Segregation of Reimbursable Costs from Fixed Fees

Costs incurred for both Fixed Fees and reimbursable expenditures shall be charged to Account No. 1430.1, Architectural and Engineering Fees under Contract. It is advisable, however, in the maintenance of the Cost Analysis Ledger, that these two elements be segregated so as to reflect currently the costs incurred for each. This may be accomplished with the use of subsidiary accounts, as for example:

1430.1(a) - Fees - under Contract

1430.1(b) - Reimbursable Costs - under Contract

When compiling the periodical reports involving the cost analysis ledger the sum of the subsidiary accounts will be recorded as Account No. 1430.1.

#### 8. Submission of Certificate and Release Prior to Final Payment

Prior to the approval by the Local Authority of vouchers submitted by the Architect purporting to represent the final payment due under the contract, it is essential that the Architect be required to prepare and submit a certificate and release, which should be attached to the Accounts Payable Vouchers.

This document may be prepared in form and substance similar to that required of the General Contractor. When submitted the form should establish the maximum liability of the Local Authority under the contract and preclude the submission at a subsequent date of further claim (thereby releasing the Local Authority) except those claims specifically stipulated therein; which may be subject to further consideration as to payment.

9. Reimbursement to Architect for Other Costs

The Local Authority may find it expedient to authorize an Architect to perform services not within the scope of but related to the work under the contract which entail the employment of others on a subcontract basis the cost of which will be reimbursed. When making such authorizations the Architect should be required to obtain proposals or bids from representative Vendors or Contractors and to make such awards to the lowest responsible bidder.

The Architect's claim for reimbursement should be supported by the received invoices and also the several original proposals to confirm the basis of award, all of which should be attached to the Accounts Payable Voucher covering the settlement.

Faithfully yours,



NATHAN STRAUS  
Administrator

Appendage

Period from \_\_\_\_\_, 19\_\_\_\_ to \_\_\_\_\_, 19\_\_\_\_.

(Name of Architect)  
(Location)

Month - M  
Week - W  
Day - D  
Hour - H

(Name of Project)  
(Development Number)

SEMI - MONTHLY PAY ROLL

(1)	(2)	(3) DAY AND DATE																				(9)
		M	T	W	T	F	S	S	M	T	W	F	S	S	M	T	TOTAL	RATE	AMOUNT EARNED	DEDUC-TIONS	NET AMOUNT PAID	
JOHN DOE	DRAFTSMAN - ST	10	12	9	9												40	1.30	52.00	52	51.48	John Doe
JOHN DOE	DRAFTSMAN - OT					9	8										17	1.95	33.15	33	32.82	John Doe
ED SMITH	DRAFTSMAN - ST	13	10	11	14	3											40	1.30	52.00	52	51.48	Ed Smith
ED SMITH	DRAFTSMAN - CT			7	8	8											23	1.95	43.85	44	43.41	Ed Smith
	TOTAL																181	00	181	179.19		

CERTIFICATION OF EMPLOYER

I, \_\_\_\_\_, CERTIFY THAT THE ABOVE PAY ROLL IS CORRECT AND THAT PAYMENT THEREFOR HAS BEEN MADE  
THAT ALL LABOR INCLUDED THEREIN WAS PERFORMED EXCLUSIVELY ON WORK RELATING TO USHA-AIDED PROJECT NO. \_\_\_\_\_  
LOCATED AT \_\_\_\_\_

PREPARED BY: \_\_\_\_\_

APPROVED BY: \_\_\_\_\_

SIGNATURE OF ARCHITECT

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

November 14, 1941

To All Local Housing Authorities

The following policy and requirements have been formulated concerning vacation and sick leave allowances for local housing authority employees on USHA-aided projects.

1. Policy on Leave Allowance: The United States Housing Authority recognizes the need for the establishment of an equitable and reasonable policy with respect to allowances for both annual and sick leave to personnel of local housing authorities whose compensation accrues from work performed on USHA-aided projects.

2. Leave Allowances Conform to Local Practice: Leave privileges for local authority employees may be permitted to the extent regarded as the established practice in the community, and the USHA will approve the expenditure of funds for the cost incurred by leave allowances. However, allowances to employees shall not exceed 26 days for each year's service for annual leave or 15 days for each year's service for sick leave. As a procedural matter annual leave may be computed on the basis of  $2 \frac{1}{6}$  days per month and sick leave on the basis of  $1 \frac{1}{4}$  days per month, a month being considered as 30 days for such purposes. Such leave as is not used shall accumulate, except that such accumulation may not exceed 60 days annual leave or 90 days sick leave.

3. Public Interests Govern in Granting: It shall be the responsibility of the local housing authority to determine whether the granting of annual leave even if earned or accrued will, in their judgment, impair the interests of the Government and the local housing authority, or, in the case of sick leave, is warranted for reasons of physical disability except for those individuals on the field supervision and inspection staffs whose leave approval shall have the concurrence of the construction adviser during the construction period. Sick leave for more than three consecutive work days must be supported by a certificate of a registered practicing physician or other bona fide practitioner.

4. Leave Without Pay Where No Leave Accrued: Any absence from duty allowed for which the equivalent leave has not been accrued shall be considered as leave without pay and the value of the excess over the amount accrued deducted from the earnings of the employee, and clearly set forth in the pay rolls affected.

All Local Housing Authorities - 2

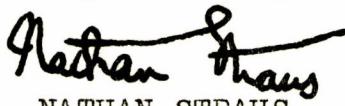
5. Compensation Only Allowable for Leave Accrued: Cash payment as a bonus for accrued annual leave that is not actually taken will not be allowed. However, when an employee is furloughed or separated from service without prejudice he may be continued on the pay roll for the time equivalent to the amount of annual leave accrued and not previously taken. This provision does not apply to accrued sick leave, as no compensation can be authorized for accrued sick leave, except when illness actually occurs and the leave is actually taken for that reason.

Where an employee of a local housing authority continues employment but in a changed classification, no compensation for accrued annual leave earned during his employment in the first classification can be paid in addition to the salary he receives under his new classification, for example, when the services of an executive director are terminated and the same individual is retained as housing manager, cash payment for leave accrued as executive director cannot be made to supplement the salary the individual receives as housing manager. The number of days earned may be carried over and added to the number of days the individual will accumulate in his new classification.

6. Computation of Leave: Leave shall be charged only for such days as the employee would otherwise have been in a duty status. Charge for Saturday should be for the number of hours normally worked if the work day on Saturday is shorter than the regular work day.

7. Responsibility for Leave Records: The local housing authority shall maintain complete records with respect to employees leave and make such records available upon the request of authorized representatives of the Government.

8. Recording of Resolutions: The policy shall be made a matter of record by resolutions adopted by Board of Directors of the local housing authority.

  
NATHAN STRAUS  
Administrator

Mr. Shitme  
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FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

November 27, 1941

Letter to All Local Housing Authorities

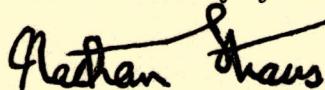
Gentlemen:

For some time past many of us have been concerned with the problem which faces many of our best citizens over 45 years of age who, because of declining physical vigor, find themselves handicapped in competing with younger men on construction jobs. Although it is realized that any attempt to regulate the age distribution of men employed by contractors would be impractical under the lump-sum bidding system, we are, nevertheless, anxious to do all we can in other ways to approach an objective manifestly so humane.

One of the fields in which the possession of experience and mature judgment appears even more desirable than the physical vigor of youth is that of building inspection. In this work it is much more important for a man to have done much mechanical work in the past than it is for him to be able actually to perform the quantity of strenuous work required by modern competitive methods.

Because of these considerations, I wish to appeal to your Authority and to encourage you on future construction work to give careful consideration to the qualifications of men between the ages of 45 and 65 for your inspection personnel. You might also bring the matter to the attention of the contractors, and, where superannuated labor classifications exist, encourage them to take full advantage of the opportunity. I feel sure that you will thereby accomplish not only a great social good, but will also improve the quality of construction secured in your various developments.

Faithfully yours,



NATHAN STRAUS  
Administrator



FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

December 12, 1941

To All Local Housing Authorities

Subject: Need for Added Speed in Defense Work

There is quoted below a message dispatched by Federal Works Administrator, Philip B. Fleming, to all Defense Public Works Regional Directors and Defense Housing Field Offices:

"Defense housing, public works and roads are war programs. They must be prosecuted to utmost limit. Production must be put upon a maximum basis at once. The President has told the nation that it must speed up all existing production and that on the road ahead there lies hard work -- gruelling work -- day and night, every hour and every minute. Every organization in the Federal Works Agency, every contractor and worker on FWA projects and every employee of FWA in and outside Washington must do everything within human power to speed construction, to speed contracts and to speed to the earliest possible completion the facilities that are so critically needed."

I am sure that all Local Authorities and their officials and employees will do their utmost to speed up to the fullest extent defense housing activities.

Faithfully yours,

  
NATHAN STRAUS  
Administrator

Mr. Short  
6-330  
*[Signature]*

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

December 19, 1941

To All Local Housing Authorities

Subject: Revised Report Forms, USHA 836 through 841

On December 11 a supply of Management Report Forms required in Bulletin No. 28, with instructions for their preparation, was sent to each Local Authority. These forms, USHA 836 through 841, were revised as a result of an intensive study and are being furnished to you without cost.

Form USHA 391 has been discontinued. Form USHA 41 has not been revised and you will continue to purchase your requirements from the Superintendent of Documents as heretofore.

Will you please see that these forms and the necessary instructions are distributed immediately to the individuals concerned with their preparation in order that they may have time to become familiar with the revisions. The instructions in Bulletin No. 28, "Manual of Management Reports," issued December 4, 1939, have been superseded by the instructions that accompanied the forms, except for the instructions covering USHA 41, which are still applicable. All Management Reports are to be submitted on the revised forms subsequent to January 1, 1942.

Because of the serious paper shortage and the volume of work in the Government Printing Office it is essential that these forms be conserved. The quantity of revised forms sent to you is sufficient to cover the reporting period ending June 1942. Extreme care should be taken to see that your supply will last for this period, if not longer.

It is of utmost importance that we have accurate information on management operations. Therefore, these reports should be submitted promptly and carefully. This is a matter of such paramount importance that I am once again calling it to your attention and urging your continued cooperation.

Faithfully yours,

*Nathan Straus*  
NATHAN STRAUS  
Administrator

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

January 3, 1942

To Local Housing Authorities:

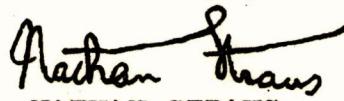
SUBJECT: Recording of Interest Derived from the Investment of Reserves

With respect to the procedure to be followed in the recording of interest received from the investment of reserve funds in such direct obligations of the U.S. Government as is permitted under the terms of the Resolutions of Local Authorities authorizing the issuance of bonds, please be advised as follows:

The Resolutions provide that "Interest in respect of moneys or on securities on any funds shall be credited in each case to the fund in which such moneys or securities are held". In accordance therewith all interest received on Series G Defense Bonds or other interest bearing government bonds which have been purchased with moneys in the Reserve Fund (Acct. No. 1113) should not be recorded as income but should be deposited in the Reserve Fund and credited to "Interest Earned on Reserve Fund Investments" (Acct. No. 2511). This account will be considered as a part of the "Repairs, Maintenance and Replacements Reserve" and will eliminate the necessity for the apportioning of earned interest to both the Repairs, Maintenance and Replacements and Vacancy and Collection Loss Reserves. Likewise in the case where interest is derived from Series G Defense Bonds or other interest bearing government bonds invested by the Fiscal Agent from moneys in the Series "A" Reserve Fund or the General Bond Reserve, such interest will be added to the reserves. To record such interest on the books of the Local Authority a journal voucher should be prepared debiting the appropriate Fiscal Agent reserve account and crediting "Debt Service Reserve" (Acct. No. 2550).

With respect to the investment of reserve funds in Series F Discount Bonds, the accrual of the increase in value is not to be reflected on the books of account during the term of the bonds. The full amount received for such bonds when sold or at maturity will be credited to the respective reserve funds.

Faithfully yours,



NATHAN STRAUS  
Administrator

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

TO ALL LOCAL HOUSING AUTHORITIES:

Subject: Public Housing and Civilian Defense

• USHA projects have an important assignment to fulfill on the "home defense front." Not only must local housing authorities look to the protection of project residents and property, but they must also assume a greater role as an integral part of civilian defense activities for the community.

Civilian Defense has a tremendous job to do. In the words of U. S. Director of Civilian Defense, Mayor LaGuardia, civilian defense calls for "the cooperation of all community organizations and each and every citizen to one end - community defense. Each and every citizen can be used. The Civilian Defense Volunteer Office in each locality is the place for all to enroll and train."

Civilian defense implies protection of civilian life, industrial centers, army and navy bases, supply centers, urban and extensively populated areas. To that end, the tenants of our projects must join with their communities in training themselves for this great task. The jobs to be done are numerous and endless and all tenants of USHA projects, through the guidance of the local housing authority and the local and state Defense Councils, can find the duties most suitable to their capabilities. Some of the training opportunities are:

1. Training for air raid wardens, messengers, and nurses' aide services.
2. Training for emergency food, housing, decontamination, and staff corps.
3. Training for auxiliary policemen, auxiliary firemen, or fire watchers.
4. To serve in rescue squads, demolition and clearance crews, road repair crews, and bomb squads.
5. Training recreation leaders to serve in guiding and leading group activities for both adults and children in times of emergency gatherings as well as in recreational activities geared to morale building.

To all Local Housing Authorities - 2

Both outdoor and indoor community space in USHA projects should be offered for a variety of activities geared to civilian defense, such as:

1. Meeting facilities for civilian defense groups and classes, and also rooms which can be used for social gatherings, dances, motion pictures, reading, quiet games, clubs, and other recreational activities for children and adults.
2. Health clinic facilities as first-aid stations and as epidemic control centers (administering anti-toxins, etc.).
3. Kitchen and meeting room facilities for the preparation and serving of food for mass emergency feeding. Kitchen facilities will also be needed for child care activities.
4. Nursery school facilities geared to child care and activities for children of project and surrounding neighborhood. An intensive drive to provide every means available to protect the health and well-being of our children is in the first line of home defense. Providing care and protection of our children will enable many mothers to take over jobs left vacant by enlisted men in both necessary civilian and defense jobs. It will also make it possible for a greater number of women to participate in volunteer defense work.
5. Club room facilities for sewing groups, Red Cross units, or other groups concerned with preparing surgical dressings, blackout materials, knitting for the Army, etc.
6. Consumer Study Centers, and demonstration classes in nutrition.
7. Home and community gardens and Food Preservation Centers.
8. Playgrounds for a general community physical fitness program and for organized recreational activities.

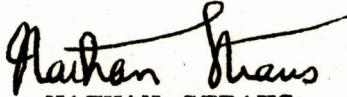
Other useful services include cooperation in the systematic sale of defense stamps and bonds, and cooperation in salvaging waste papers and scrap metal.

To all Local Housing Authorities - 3

The Washington office of the United States Housing Authority has established a working relationship with the national Office of Civilian Defense, whereby that agency is notifying all state and local Defense Councils to contact local housing authorities relative to the utilization of the facilities of USHA projects, and the training of volunteer tenant leaders for necessary war services.

It is recommended and urged, therefore, that local housing authorities immediately contact local Defense Councils for full particulars as to ways in which their projects can actively participate in the local program of civilian defense. If there is no local Defense Council, consult with the state Defense Council through the Governor.

Faithfully yours,

  
NATHAN STRAUS  
Administrator

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

January 8, 1942

To Local Housing Authorities:

SUBJECT: Information Regarding the Preparation of the  
Analyses of Expenditures - Budget Control  
Statement (Form USHA-213)

The information contained herein is for the purpose of insuring uniformity in the preparation of Form USHA-213 in cases where the permanent financing of a Statutory Project has been deferred. To illustrate the procedure with respect to the preparation of this form assume that the Statutory Project involved consists of two or more developments. Further, assume that it is not contemplated that such Statutory Project will be permanently financed until sometime subsequent to the final completion of the first Development, and that the end of the Initial Operating Period has terminated several months previous to the final construction phase of such first Development. Based on such Statutory Project the procedure for preparing Form USHA-213 for said Development is as follows:

Prior to permanent financing only the sub-accounts 1470.1, 1470.2 and 1470.3 of Preoccupancy Charges in Columns 5 to 10 should be used. Any net deficit incurred from operations (the difference between the 3000 and 4000 groupings of accounts) from the beginning of the Initial Operating Period to the end of the Initial Operating Period or the Bond Date, whichever is later, should be recorded in Column 5 for Acct. No. 1470.3. Any net income derived from operations from the beginning of the Initial Operating Period to Bond Date should be recorded in Column 5 for Acct. No. 1470.3, and should be reflected in the reduction of the Development Cost. By this method the Development Cost to be reported on the General Balance Sheet will be adjusted monthly.

When the end of the Initial Operating Period and the Bond Date have both been reached, any net deficits incurred from operations subsequent thereto, as well as any net income derived from operations subsequent to the Bond Date, will not be entered in Account No. 1470.3 but recorded in

Local Housing Authorities - 2

the Income and Expense Clearance Account (Acct. No. 2700). Amounts for Working Capital and the Deficiency of Rental Debt Service Payments withdrawn from the Development Fund will be reflected in the respective accounts No. 1470.4 and 1470.5 subsequent to permanent financing.

Form USHA-213 will continue to be submitted monthly for each Development within the Statutory Project until the issuance of the Physical Completion Notice for the Statutory Project as a whole, excepting in cases where there is no change from the previous month, in which case a statement to that effect included in the financial report submitted will suffice.

Faithfully yours,



NATHAN STRAUS  
Administrator

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY

January 23, 1942

TO ALL LOCAL HOUSING AUTHORITIES:

The United States Housing Authority, cognizant of the new and intensified consumer problems created by the present war economy, has established a working relationship with the Consumer Division of the Office of Price Administration whereby that agency has agreed to offer its full cooperation to local housing authorities.

In every community, families and individuals of low or moderate income must make many adjustments in the light of rising prices and shortages in consumer goods. Consumers themselves must assume the responsibility of making the most of their resources, not only for their own well-being but also as a contribution to the war effort.

Thus, local housing authorities have a responsibility for assisting residents of USHA projects and surrounding communities to become intelligent purchasers and for aiding them to make sound adjustments in an effort to conserve family and national resources.

The past experiences of consumer activities in housing projects--study groups, buying clubs, credit unions, home furnishing demonstrations, workshops for construction, repair, and renovation of furniture--can be of invaluable benefit and assistance to consumer committees and groups in the community.

Local housing authorities, management staffs of housing projects and tenant associations can do much to assist in the local consumer programs. They can:

1. Support and promote local consumer committees of local defense councils where these have been organized; take leadership in organizing such committees where they do not exist.
2. Provide leadership and direction for initiating, organizing, and developing consumer programs and services for residents of housing projects and for residents of the project neighborhood. Such programs and services might include:

(a) Consumer Information Centers

(b) Study groups and demonstrations on wise buying and conservation of food, clothing, household equipment, and other consumer goods.

To all local housing authorities - 2

- (c) Study groups on consumer problems such as credit, protective legislation for consumers, etc.
- (d) Promotion of consumer services for low-income families such as the Food Stamp Plan, School Lunch Program, Penny Milk Program.
- (e) Participation in home and community food preservation projects and centers.
- (f) Home furnishings demonstrations and workshops.
- (g) Special consumer conferences and exhibits.

3. Integrate and coordinate consumer programs and activities now being carried on in housing projects with the consumer interest program of the larger community in order to:

- (a) Achieve the most effective use of all resources including leadership, space, equipment, and other facilities available in the project or in the surrounding neighborhood.
- (b) Expand the scope of programs and activities on behalf of the consumer carried on in housing projects.
- (c) Shift emphasis in programs and activities to meet new and acute problems confronting residents of housing projects as an outgrowth of the war situation.
- (d) Prevent gaps in and duplication of effort in programs and activities in housing projects and in the surrounding community.
- (e) Give the benefit of past experience of consumer activities in housing projects to consumer committees and groups in the larger community.

The services of the Regional Community Relations Adviser of the USHA or a field representative of the Consumer Division, OPA, are available to assist you in carrying out your part in this program. For particulars in respect to these field services, consult your USHA Regional Office. We recommend also that you contact the Consumer Committee of your local Defense Council and signify your interest and readiness to cooperate in the local consumer program.

To all local housing authorities - 3

Enclosed is a leaflet issued by the Consumer Division of the Office of Price Administration summarizing important consumer activities and services which may be initiated locally.

Also enclosed is a Consumer Pledge to be signed by individual consumers and returned to the Consumer Division. Copies of the leaflet and the pledge are available for distribution to members of your community on request from the Consumer Division, Office of Price Administration, Washington, D. C.

Very sincerely yours,

*Leon H. Keyserling*  
LEON H. KEYSERLING  
Acting Administrator

WE WANT TO PRINT YOUR STORY

In the very near future, the United States Housing Authority will issue a publication on defense and war activities of the tenants in USHA projects.

We need interesting stories with facts, details, names, and dates, as well as good human interest action photographs of people. We should like all the information you now have and can obtain about the contributions of housing project residents to every phase of war work. Publication of this information will provide a means of informing local housing authorities of the defense activities of housing projects throughout the country.

As a guide to the type of stories we want, we refer you to two recent letters addressed "TO ALL LOCAL HOUSING AUTHORITIES" and signed by Nathan Straus, USHA Administrator. The first is dated either January 7, 8 or 9, depending on your region, and is subtitled "Public Housing and Civilian Defense." The second, concerning cooperation with the Consumer Division of the Office of Price Administration, is enclosed with this note.

In addition to this information on tenant activities, we should like stories and photographs on defense and war activities of local housing authorities. These include cooperation with local defense councils and consumer committees of local defense boards, fair rent committees, homes registration offices, investment in defense bonds, provisions for continued occupancy of families of men called to the colors, preferences to small "priority-starved" manufacturers, etc.

Your Regional Office is collecting this information. Whatever assistance you can give them is appreciated.

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

February 6, 1942

TO ALL LOCAL HOUSING AUTHORITIES:

A number of managers of public housing projects have asked about using United States mail boxes. Managers and local housing authority officials who may have notices to be distributed to tenants will want to be familiar with the postal regulations from "The Private Express Statutes", September, 1940, United States Post Office Department, page 18, paragraph XXIII, quoted below:

Restricted Use of Private Letter Boxes

"On January 2, 1934, the Postmaster General issued an order which provides in substance that private mail boxes or other receptacles intended for use for the receipt or delivery of mail matter by any city or village letter carrier shall be used exclusively for the reception of matter regularly in the mails, and when a carrier finds deposited in such a mail box or other mail receptacle mailable matter, such as statements of account, circulars, sales bills, or other like matter, on which no postage has been paid, which is addressed to or intended for the person in whose box it is deposited, he shall take such matter to the post office to be held for postage (sec. 947, P. L. & R., 1940, par. 3).

"As a penalty for violation of the law on this subject, it is provided that 'Whoever shall knowingly or willfully deposit any mailable matter such as statements of account, circulars, sales bills, or other like matter, on which no postage has been paid, in any letter box established, approved, or accepted by the Postmaster General for the receipt or delivery of mail matter on any mail route with intent to avoid payment of lawful postage thereon; or shall willfully aid or assist in any of the aforementioned offenses, shall for every such offense be punished by a fine of not more than \$300' (18 U. S. Code, sec. 321, as amended by act of Congress approved May 7, 1934)."

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To all Local Housing Authorities - 2

This regulation applies to management notices as well as to advertising handbills or other printed leaflets. For this reason, managers will want to (1) provide boxes specially for newspapers and other printed matter, (2) combine notices in a weekly bulletin, (3) deliver notices personally, (4) deliver notices under the door, or (5) take other steps to provide a legal method for delivering important notices to residents of the project.

Very sincerely yours,

*Leon H. Keyserling*

LEON H. KEYSERLING  
Acting Administrator

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

February 6, 1942

TO ALL LOCAL HOUSING AUTHORITIES:

AIR RAID PROTECTION

The preparations undertaken by local housing authorities and actions of a housing management with respect to air raids should conform with the regulations of the Local Civilian Defense Officials. The National Headquarters of the Office of Civilian Defense (O.C.D.) has stated that the State Councils of the O.C.D. will supply local housing authorities, upon request, with publications on such subjects as pertain to defense requirements in their localities. Since such instructions are subject to change from time to time, because of new developments, it is necessary for a project management to occasionally contact the Civilian Defense Authorities in order to keep posted.

The following three publications of the O.C.D. give information with which each local authority should be familiar:

The United States Citizen Defense Group -  
Coordination of Groups  
Staff Manual  
What to Do in an Air Raid

The O.C.D. advises that action should be taken to reduce hysteria to a minimum. This may be accomplished by having everyone understand beforehand just where they are to go and just what they should do. During blackouts and air raids developments should be operated in as nearly a normal way as possible and still accomplish the military and safety requirements. It is advisable to have all of the operating personnel take the courses of instruction offered by the Local Civilian Defense Organization.

The bombing hazard varies in different localities. In some, it may be considered about the same as the lightning hazard. The chance of being struck may be quite remote, but in the event a bomb should strike in the immediate vicinity it is essential that everyone - tenants and operating personnel - know what to do. The O.C.D. has indicated that at present the most vulnerable areas seem to lie within about 300 miles of the Atlantic, Gulf and Pacific coasts. No locality, however, is considered immune to bombing.

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Yard lights must be extinguished during blackouts. In some developments additional wiring and switching will be necessary in order to accomplish this manually. It is not necessary to have all such lights on one switch as several people can be assigned to the duty of turning out yard lights. The wiring and switching can be installed in a temporary manner to facilitate removal after the emergency.

Project managers should see that public and non-dwelling spaces which must be lighted during emergencies are properly equipped so that they can be blacked out. The tenants should either equip their windows with blackout materials for use during blackout periods, or if they prefer not to go to this expense, they should be instructed that all lights must be extinguished during blackouts. The O.C.D. publications supply information which will be useful in preparing for blackouts.

It is considered that incendiary rather than demolition or gas bombs are most likely to be used at first. Attention should therefore be directed principally toward fire protection, and the various methods of treating incendiary bombs should be fully understood. The publications of the O.C.D. describe these techniques in detail.

Do not shut off main gas valves, main electric switches, or main water valves until it is known that these utilities have been disrupted on the project. It is necessary, however, to be prepared to cut off these utilities on a moment's notice. In order to accomplish this, project employees and/or other persons should be very familiar with wiring and piping layouts so that prompt action can be taken in case of emergency. It may be well to label valves and switches by signs so that they may be recognized more easily.

The necessary steps should be taken for boiler house protection, in case of electric power failure, and/or city water failure. These are occurrences which may be expected to happen even in normal times so attendants should know what steps to take under such circumstances. In case any of the piping of the heating plant is broken the operating crew should be prepared to shut off lines and maintain service in as much of the development as is practicable. Those in charge of heating operations, particularly the central high pressure plants, should train their crews beforehand by reviewing what actions would be taken if this, that, or another piece of piping or equipment were damaged. Lanterns or other self-operating lighting equipment should be provided so that light may be had if the electric power fails. The boilers may be shut down

between the hours of 11:00 p.m. and 5:00 a.m. These hours are the most hazardous from the bombing point of view and it is during this period that it is most difficult to obtain help.

All roofs should be accessible. In some cases this may require additional ladders. Doors to the roofs should be kept unlocked which will require taking precautions to keep people off of the roofs.

Means should be taken to keep people away from high voltage electric wires which may be dislodged. Areas where such wires may fall may be roped off and people posted during raids to see that others keep away. Signs may be posted calling attention to the danger which exists if the wires should fall.

Roadways should be kept clear for fire fighting and ambulance service. This may require marking off certain areas as non-parking zones and enforcing this regulation.

Thought should be given to having sufficient help available at all times to meet emergencies. Provide for the possibilities that individuals may be sick or away from the development, at a movie for instance, when the air raid alarms are sounded. It may be desirable to have more of the employees live on or near the development. Transportation and travel during blackouts and raids will be stopped. Steps should be taken to train some of the tenants so that they may be able to assist with the heating plant and other parts of the development during an emergency.

A sufficient supply of emergency fire fighting equipment should be on hand and accessible at the development at all times, i.e., axes, pry bars, chemical extinguishers, sand pails, etc. Advice as to quantity and type of material should be obtained from the local O.C.D. office and fire department.

*Leon H. Keyserling*  
LEON H. KEYSERLING  
Acting Administrator

FEDERAL REGISTER

Volume 6, Number 125, Washington  
Friday, June 27, 1941

The President  
Executive Order

Reaffirming Policy of Full Participation in the Defense Program by All Persons, Regardless of Race, Creed, Color, or National Origin, and Directing Certain Action in Furtherance of Said Policy.

WHEREAS it is the policy of the United States to encourage full participation in the national defense program by all citizens of the United States, regardless of race, creed, color, or national origin, in the firm belief that the democratic way of life within the Nation can be defended successfully only with the help and support of all groups within its borders; and

WHEREAS there is evidence that available and needed workers have been barred from employment in industries engaged in defense production solely because of considerations of race, creed, color, or national origin, to the detriment of workers' morale and of national unity:

NOW, THEREFORE, by virtue of the authority vested in me by the Constitution and the statutes, and as a prerequisite to the successful conduct of our national defense production effort, I do hereby reaffirm the policy of the United States that there shall be no discrimination in the employment of workers in defense industries or government because of race, creed, color, or national origin, and I do hereby declare that it is the duty of employers and of labor organizations, in furtherance of said policy and of this order, to provide for the full and equitable participation of all workers in defense industries, without discrimination because of race, creed, color, or national origin;

And it is hereby ordered as follows:

1. All departments and agencies of the Government of the United States concerned with vocational and

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Executive Order - 2

training programs for defense production shall take special measures appropriate to assure that such programs are administered without discrimination because of race, creed, color, or national origin;

2. All contracting agencies of the Government of the United States shall include in all defense contracts hereafter negotiated by them a provision obligating the contractor not to discriminate against any worker because of race, creed, color, or national origin;

3. There is established in the Office of Production Management a Committee on Fair Employment Practice, which shall consist of a chairman and four other members to be appointed by the President. The chairman and members of the Committee shall serve as such without compensation but shall be entitled to actual and necessary transportation, subsistence and other expenses incidental to performance of their duties. The Committee shall receive and investigate complaints of discrimination in violation of the provisions of this order and shall take appropriate steps to redress grievances which it finds to be valid. The Committee shall also recommend to the several departments and agencies of the Government of the United States and to the President all measures which may be deemed by it necessary or proper to effectuate the provisions of this order.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE,

June 25, 1941

the approval of the Washington office, in cases where the local authority and the regional office determine that the obtaining of such professional services is necessary to properly or expeditiously develop or administer the local housing program; provided, the entering into such a contract does not violate any applicable state or local law.

There may be instances where it is deemed necessary or advantageous to make other exceptions to this general policy. In such instances Regional Directors or other staff officers shall submit recommendations with respect to such cases through the office of the Assistant Administrator for Development to the Deputy Administrator and General Counsel for consideration and approval.

17. Wage Rates for Defense Housing Projects: Since contracts for Lanham defense housing projects are Federal Government contracts, the minimum wage rates to be included in such contracts will be set by the Secretary of Labor under the Davis-Bacon Act.

It is inevitable that the wage rates determined by the Secretary of Labor will differ, for some classifications, from the rates established by the USHA, or be at variance with our own information concerning prevailing wage rates. Since reconsideration by the Department of Labor of rates once determined involves considerable delay, it will be our policy not to request such reconsideration except in cases where the difference in rates is for a major trade or, for other reasons, would obviously cause difficulty.

18. Racial Relations: Negro workers constitute an ever increasing factor in defense production, and racial policy has an important effect upon the defense program. In view of this, provisions have been made and are being made for equitable and adequate housing for eligible Negro personnel and industrial defense workers. Analyses of the housing needs of a community or locality shall include full consideration of the adequacy of housing facilities available to Negro defense workers. The racial composition of workers now engaged, or to be employed in defense industries, will be made from labor surveys and other sources used for the purpose of employing Negro workers on housing projects and for the purpose of housing Negro defense workers.

Locality program reports should be carefully checked and used as a guide for matters concerning employment of Negroes in defense industries. Sites should be selected on the basis of the locality program report and the USHA policy of avoiding any disturbance of the existing racial patterns for any communities affected. Any inconsistency between the selected site, the program report, and USHA policy should be reported immediately.

There shall be no discrimination by reason of race, creed, color, national origin, or political affiliations in the employment of persons qualified by training and experience for work in the development of defense housing or defense public works at the sites thereof.

Percentages of Negro skilled and unskilled labor in the locality of a project, as recommended by the Washington office and approved by the Federal Works Administrator, will be maintained in the employment of personnel by constructing contractors. If such percentages are not maintained, investigation shall be made and a report of the reasons therefore shall be submitted.

19. Deviations from Established Policy: No deviations from established policies will be allowed except where specific proposals for deviation are approved by the Federal Works Administrator through the Assistant Administrator for Development. It is particularly important that any deviation or "waivers" which are necessary be discussed and decided at the beginning of the design of a project, immediately after the assignment of a project, instead of being left till the receipt of bids, when no adjustment can be made without substantial loss of time.

such facilities this will probably be inadequate for full facilities in every project. Any inclusion of such facilities when a project is submitted for approval must therefore be amply explained.

7. Commercial Facilities: Where existing facilities in the neighborhood are inadequate, space shall be allotted on the site plan for neighborhood shopping centers convenient to and if possible within walking distance from all homes. Stores shall be designed and built as part of projects only where private capital cannot be induced to supply the required facilities. In all cases design shall be controlled. The number and type of stores shall be limited to the probable future need of the community, and haphazard speculative marginal development, which is unprofitable alike to stores and the community, shall be discouraged.

8. Temporary Construction Buildings: All major temporary construction buildings shall be so located and constructed that they may be available for community or other use after project completion.

9. Cost Limits: Since the constructing agency (USHA) must observe statutory limitations averaged for all projects assigned to it, there results a twofold obligation; first, the average cost per dwelling unit of all projects assigned to it must meet the limitations within the USHA and cannot be averaged with costs of other agencies, and, second, the average cost per dwelling unit in any single project must not exceed quota figures established by the Technical Division to control the overall USHA average. Moreover, any project submitted in excess of \$3,500 total cost per unit will be subject to serious question.

The cost per dwelling unit shall include the construction cost including contractors' fees of the dwelling structure and equipment. Although other costs, not legally limited, including land, utilities, and administrative expenses (general office overhead, plans and specifications, and field supervision and inspection) will not be charged to the cost of a family dwelling unit, they shall be held to a minimum.

10. Planning Standards for Defense Housing Projects: The "USHA Standards for Defense Housing, Lanham Act Projects," dated August, 1941, is based on those developed by the Coordinator, Division of Defense Housing Coordination, Office for Emergency Management, and promulgated by the Federal Works Administrator. These standards are to be followed consistently for all defense housing projects. From time to time, as they may be issued, appropriate amendments and additions will be released and distributed.

There are three general "controls" governing design and construction of defense projects:

- a. Limitations (particularly of cost) in the Lanham Act
- b. "Standards for Defense Housing" and Basic Policies
- c. USHA preferred construction for permanent use and low maintenance

In some localities, it may be impossible to satisfy all three controls, and such cases should be brought to the attention of the Assistant Administrator for Development, together with suggestions for bringing cost down to "quota" figure.

11. Use of Demountable Houses and Plaster: If it appears desirable on any specific project to use prefabrication in any form or to omit the use of plaster, the matter should be referred to the Assistant Administrator for Development before any definite action is taken.

12. Award of Contracts: It is the policy of the USHA to require the award of each and every contract to the lowest responsible bidder meeting the specified requirements and qualifications.

13. Utility Services: It is a basic utility policy that the combination of utility services should be employed which, after consideration of capital cost and operation expenses, will be most economical. In order that the most economic combination of utility services will be selected, utility rates negotiations should take place as soon as possible after a project has been announced and in any event before plans and specifications have advanced too far to prevent revision due to a change in utilities selected.

A careful analysis of annual cost of heating and utility installations, both individual and master metered, must be prepared to govern the choice of system and equipment for each project. Uniform methods and procedures have been worked out. To prevent overlapping and confusion, all negotiations with utility companies must be coordinated through the office of the Administrator of the Federal Works Agency.

14. Payments in Lieu of Taxes: Negotiations with any local political subdivisions on payments in lieu of taxes and services must be uniform and follow policies to be established by the Administrator of the Federal Works Agency. All such negotiations must be reported to and coordinated by his office.

15. Accounts: The Office of the Administrator, Federal Works Agency, shall be responsible for the accounting and financial reporting of funds appropriated to it for defense housing projects. The accounts and financial records maintained by each constructing agency shall be subject to approval by the Office of the Administrator with respect to accuracy, completeness and adequacy. Requests for allotment of funds shall be approved by the Administrator, Federal Works Agency.

16. Financial Participation of Public Officials: Members of municipal governments and other local public officials charged with the responsibility of performing public functions within the area of operation of local authorities are not to derive financial or pecuniary benefit from participation in the programs of local authorities where USHA funds are involved. In accordance with this policy USHA will not approve the award of contracts to such public officials. Exceptions to this general rule are limited to the following items:

a. Land included in approved sites may be purchased from interested public officials provided a full and complete disclosure is made of the interest of the public officials in such land.

b. Local authorities may engage the services of city or county attorneys or members of their staffs in accordance with the provisions of applicable state laws.

c. Contracts for other professional services may be entered into, with

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

DEFENSE MANUAL

LG-2  
LG-2-LHA

September 26, 1941

RESCINDS\*

DEFENSE HOUSING PROCEDURE

SUBJECT: General - Basic Policy Applicable to Defense  
Housing Projects Developed Under the Lanham Act

OUTLINE OF CONTENTS

1. General
2. Site Selection and Protection
3. Future Disposal
4. Land Use
5. Land Acquisition
6. Community and Management Facilities
7. Commercial Facilities
8. Temporary Construction Buildings
9. Cost Limits
10. Planning Standards for Defense Housing Projects
11. Use of Demountable Houses and Plaster
12. Award of Contracts
13. Utility Services
14. Payments in Lieu of Taxes
15. Accounts
16. Financial Participation of Public Officials
17. Wage Rates for Defense Housing Projects
18. Racial Relations

1. General: The following basic policies are established and must be observed in connection with all projects developed under the Lanham Act under the jurisdiction of the Federal Works Agency. This general background material is covered with applicable procedure in appropriate sections throughout the manual.

2. Site Selection and Protection: It is established policy to make every effort to satisfy the requirements not only of emergency needs but also of a sound long-term plan for the community as a whole in selecting sites. For this reason regional offices and local housing authorities should consult other local officials and planning agencies on site selection, preferably carrying on negoti-

\* This consolidates and rescinds LG-2 (LG-2-LHA), dated January 28, 1941; LG-3 (LG-3-LHA); LG-6 (LG-4-LHA); LG-8 (LG-5-LHA); LD-1; LD-2; LD-3 (LD-1-LHA); and LD-3 Addendum No. 1.

ations in the initial stage to insure speed and public support and to avoid future delay.

It is desirable to protect the project from detrimental surrounding land use and to allow for some future expansion which may be necessary. Sufficient land in addition to that actually needed for the project should be optioned and presented for approval at the time the project site is under consideration.

3. Future Disposal: All projects shall be planned on the basis of the future disposal of each project as a whole or in parts of adequate size for large scale operation, rather than as individual home properties. The purpose of this is to:

a. Make most efficient use of land.

b. Minimize both capital, operating and maintenance costs by grouping houses and space for parking or future garages, common use of paths, roads, public utilities and community facilities and minimizing paved areas.

c. Facilitate group planning, with protection of pedestrians from motor traffic.

d. Improve appearance by lessening monotony.

4. Land Use: All open land in the built-up of a project site must be designed for definite use. With the exception of specific community and commercial areas all land except streets and paths should be planned for tenant maintenance. Areas adjacent to dwelling units should be limited to the amount each present or future tenant reasonably can be expected to maintain, and immediate access must be provided from the unit to all such land.

5. Land Acquisition: It is the general policy of the Federal Works Agency not to accept options that are in excess of the appraisal of the parcel made by local appraisers, nor to deposit in court in condemnation proceedings a sum in excess of the local appraisal.

6. Community and Management Facilities: There should be constructed in all Lanham Act projects management and maintenance space and facilities. Community facilities should be planned in accordance with USHA Standards for Defense Housing, unless

a. Adequate facilities are already present in the neighborhood, or

b. We are advised by FWA on specific projects that facilities should be omitted.

The community facilities that may have to be considered, depending on size and location of project, are schools, indoor and outdoor recreation facilities for various age groups, meeting rooms, public health facilities, libraries, management offices and maintenance space, public safety facilities (fire and police), municipal offices and facilities in the case of larger developments, post offices, kindergarten and nursery schools, and bus stations. Although 3 percent of the total amount provided by the Lanham Act is being reserved for

FEDERAL WORKS AGENCY  
Division of Defense Housing

RACIAL RELATIONS

Regulation No. 1

Washington, D. C.

January 6, 1941

Racial Relations Regulation No. 1

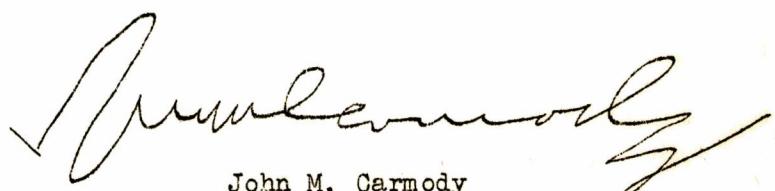
R E G U L A T I O N

providing against discrimination in work on defense housing

Pursuant to the authority vested in the Federal Works Administrator by Section 11 of the Act of October 14, 1940 (Public No. 849, 76th Congress) the following regulation is hereby made:

There shall be no discrimination by reason of race, creed, color or political affiliations in the employment of persons, qualified by training and experience, for work in the development of defense housing at the sites thereof.

In testimony whereof, I have hereunto set my hand and official seal at the city of Washington this 6th day of January, 1941.



A handwritten signature in black ink, appearing to read "John M. Carmody".

John M. Carmody

Federal Works Administrator

F.W.A. 3890

FEDERAL WORKS AGENCY  
Division of Defense Housing

RACIAL RELATIONS

Regulation No. 2

(General Distribution)

Washington, D. C.

March 19, 1941

FEDERAL WORKS AGENCY  
Division of Defense HousingRACIAL RELATIONS REGULATION NO. 2S P E C I A L   R E G U L A T I O N

supplementing the Regulation, dated January 6, 1941, providing against discrimination in work on defense housing

Pursuant to the authority vested in the Federal Works Administrator by Section 11 of the Act of October 14, 1940 (Public No. 849, 76th Congress) the following regulation is hereby made:

In order to ascertain compliance, in respect to Negro labor, with the Regulation providing against discrimination in work on defense housing, dated January 6, 1941 (6 FED. REG. 106 - 1941), it is requested that contracting officers in charge of the development of defense housing undertaken pursuant to said Act of October 14, 1940, shall after the effective date of this Special Regulation:

(1) Submit to each contractor engaged in constructing any such defense housing, the percentages of Negro skilled and unskilled labor in the locality of the project, as reflected by the Federal census and other relevant data.

(2) Require each contractor engaged in constructing any such defense housing to indicate by notation (W for Non-Negro, N for Negro) on pay roll forms required to be submitted to the Government, the race of each laborer, skilled or unskilled, listed on such pay roll forms; and

(3) Ascertain and report to the Director of the Division of Defense Housing in the Federal Works Agency, at the end of each 4-week period of such construction, the respective amounts paid by each such contractor during such period as wages, for work in the development of defense housing at the sites thereof to (i) Non-Negro skilled labor (irrespective of individual trades); (ii) Negro skilled labor (irrespective of individual trades); (iii) Non-Negro unskilled labor; and (iv) Negro unskilled labor.

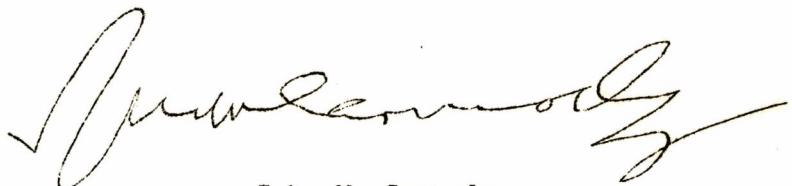
If the percentages, of the total amounts so paid for all skilled labor and for all unskilled labor, that are paid, respectively, to Negro skilled and unskilled labor approximate the respective percentages of Negro skilled

and unskilled laborers in the locality (as submitted to the contractor by the contracting officer), there shall be deemed to be *prima facie* evidence that the contractor is not discriminating against Negro labor. Otherwise, or if any contractor shall fail or refuse to make the pay roll notations hereinabove referred to, the contracting officer shall investigate and report the reasons therefor to the Director of the Division of Defense Housing.

Copies of this Special Regulation shall be distributed to all contractors engaged in the development of defense housing under the aforesaid Act of October 14, 1940.

As used in this Special Regulation, the term "contractor" includes subcontractors.

In testimony whereof, I have hereunto set my hand and official seal at the city of Washington this 19th day of March, 1941.



John M. Carmody

Federal Works Administrator

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

February 16, 1942

TO ALL LOCAL HOUSING AUTHORITIES:

We are sending you for your information a copy of a self-explanatory letter and enclosure received recently from the Treasury Department with respect to the investment of funds established pursuant to Bond Resolutions adopted at the time of permanent financing, in United States Defense Bonds, Series F and Series G.

You will note therefrom that the limitations with respect to the maximum amounts that may be invested in such bonds are not with respect to the local authority itself or even with respect to each individual statutory project, but that they are with respect to each of the five funds set up for each project in accordance with the provisions of the Bond Resolution.

Your attention is called to the fact, however, that since the amounts deposited in the Series A Bond Fund and the Series B Bond Fund are deposited therein only for a 15 day to 6 months' period, there is no occasion for the investment of moneys in such funds. Also, with respect to moneys in the General Bond Reserve Fund, in the case of many projects, the moneys therein will begin to be used shortly for the purposes of retiring Series B Bonds as provided in the Bond Resolution, so that it would be inappropriate in such cases to invest the moneys on deposit in that fund. Accordingly, it is recommended that there be no investment of the moneys in that fund unless it is clear that the moneys will remain in the fund for an appreciable period.

Very sincerely yours,

*David L. Krooth*  
DAVID L. KROOTH  
Associate General Counsel

Attachments 2

TREASURY DEPARTMENT

Washington

Feb 12 1942

Mr. David L. Krooth,  
Associate General Counsel,  
Federal Works Agency,  
United States Housing Authority,  
Washington, D. C.

Dear Mr. Krooth:

For your information I am enclosing a copy of a letter addressed to the Federal Reserve Bank of New York with reference to the investment of funds held under a bond resolution adopted by the New York Housing Authority in United States Savings Bonds of Defense Series F and Defense Series G.

You will no doubt be interested to note that a slight modification in the form of registration previously suggested for bonds purchased with similar funds is felt desirable and that it has been determined that five different funds held under similar bond resolutions adopted by local authorities are being considered duly constituted and wholly independent trusts, so that bonds to the full extent of the authorized limit may be held for each.

By direction of the Secretary:

Very truly yours,

/s/ D W Bell  
Under Secretary of the Treasury.

Enclosure

TREASURY DEPARTMENT

Washington

Feb 12 1942

Federal Reserve Bank  
Federal Reserve Station P.O.,  
New York, N. Y.

Dear Sirs:

My attention has been called to your letter of January 15, 1942 concerning the availability of certain funds created by resolution of the New York City Housing Authority for investment in Series G Defense bonds.

On further consideration and in view of the opinion of the law officers of the Federal Works Agency, it has been determined that the Series A Reserve Fund and the General Bond Reserve Fund created by the Authority's Bond Resolution adopted September 15, 1940, as well as the Series A Bond Fund and the Series B Bond Fund may each be regarded a duly constituted and wholly independent trust estate within the meaning of the pertinent governing regulations, eligible to hold savings bonds of either Defense Series F or Defense Series G, or both combined, to the full extent of the authorized limit.

It also appears that the form of the registration previously suggested as appropriate for these funds should be modified. By Section 11.01 of the Bond Resolution, the Bankers Trust Company of New York is in effect appointed the trustee for the Authority but as it is understood to be desired that the term "Fiscal Agent" be used, registration of bonds purchased for any of the four above mentioned funds may be as follows:

"Bankers Trust Company of New York, Fiscal Agent of the New York City Housing Authority, in trust for the purposes of (reference to the particular fund) of such Authority under Sec. (reference to authorizing section of resolution) of the Authority's resolution adopted September 15, 1940."

The Series A Bond Fund, the Series B Bond Fund, and the General Bond Reserve Fund, are authorized by Section 4.06 of the Bond Resolution while the Series A Reserve Fund is set up under Section 4.04 and 4.07. Reference to the appropriate section should, in each case, be inserted in the registration form.

As the Reserve Fund for repair and maintenance authorized by Section 4.05 of the Bond Resolution is held in trust by the local authority, the following form of registration would be appropriate for this fund:

"New York City Housing Authority, a public corporation, in trust for the purposes of the Reserve Fund, under Sections 4.05 and 5.02 of the Authority's Resolution adopted September 15, 1940."

This letter is to be regarded as superseding previous correspondence on the subject.

By direction of the Secretary:

Very truly yours,

(Signed) D. W. Bell  
Under Secretary of the  
Treasury

Copy for Mr. David L. Krooth

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

February 17, 1942

TO ALL LOCAL HOUSING AUTHORITIES:

The Federal Works Agency requests that it be furnished with regular periodic reports covering the number of units in USHA-aided low-rent developments occupied by defense workers, and also the extent of demand for such living quarters by defense workers.

Therefore, during the initial operating period of any developments under your jurisdiction which are designated to house both defense and non-defense workers, you are requested to submit separate weekly reports, one to be plainly stamped or otherwise marked "Defense", on Forms USHA 840 and 841. This applies to:

1. USHA-aided low-rent developments which in their entirety or in part have been designated for occupancy by defense workers during the emergency.
2. Past and future developments recommended for priority approval by the Coordinator on condition that occupancy preference be granted to specific defense workers.

It should be noted that the term "defense workers" should be applied to only those persons engaged in industries which have been so designated by the Defense Housing Coordinator, and/or military personnel. Authorities having USHA-aided priority-approved developments in which units are scheduled to be available within three months will be informed shortly of the approved defense industries in their locality.

Subsequent to the initial operating period, it will only be necessary for you to advise us by letter at the close of business each month as to (a) the number of applications received during the month and total number of applications from defense workers received to date, and (b) the number of units actually occupied by defense workers.

It is essential that where possible, you furnish us with a cumulative report covering the number of defense workers who have applied and the number in occupancy through December 31, 1941.

(over)

To All Local Housing Authorities - 2

In order to maintain an accurate picture of the demand for housing by defense workers, all Authorities should establish and submit monthly a list of new applications received, specifying the current employment of each worker by industry. Such data will serve as a valuable guide during the preparation of the Locality Occupancy Program.

Director, Region

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

February 19, 1942

TO ALL LOCAL AUTHORITIES

SUBJECT: Overtime Provisions and Leave Allowance for  
Operating and Maintenance Personnel

In the Administrator's letter of November 14, 1941, to all local housing authorities, certain requirements concerning vacation and sick leave and overtime allowances for local housing authority personnel employed on USHA-aided projects were established.

It will be noted that this letter established only maximum annual and sick leave and overtime allowances. Since the minimum annual prevailing wages established by the USHA for maintenance employees are based on maximum hours of work and minimum annual and sick leave and overtime provisions, it is necessary that the provisions outlined below be reflected on or attachment to Form USHA 388, "Authorized Minimum Wage Rates, Maximum Hours of Work and Overtime Provisions," which is to be posted in a conspicuous place on the project in order that employees may be fully informed with respect to wages, hours of work, leave and overtime provisions.

Overtime Provisions

Maintenance employees required to work overtime shall be entitled to an equivalent number of hours of compensatory leave any time within three months from the earliest date of overtime work at a time mutually agreeable to the employee involved and to the local housing authority.

Leave Allowances

Annual leave privileges for local authority employees may be permitted to the extent regarded as the established practice in the community, and the USHA will approve the expenditure of funds for the cost incurred by these allowances. However, allowances to maintenance employees shall not be less than 12 days for each year's service for annual leave and 12 days for each year's service for sick leave. Such leave allowances will not take effect until the employee has had tenure of employment for at least 90 or more consecutive calendar days.

(over)

To All Local Authorities - 2

For less than a year's service, and for any period of 90 or more consecutive calendar days of employment, maintenance employees shall not be entitled to the full year's leave but will be entitled to 1/12 of the established yearly amount of annual or sick leave for each month of employment; provided that such leave allowances may not exceed 26 days for each year's service for annual leave, and 15 days for sick leave. As a procedural matter, all annual and sick leave **should** be computed by accumulating 1/12 of the established annual amount monthly. Such annual and sick leave as is not used shall accumulate, provided that at the end of any year such accumulation may not exceed 60 days annual leave and 90 days sick leave.

The provisions of paragraphs 3, 4, 5, 6, and 7 of the Administrator's letter of November 14 apply to these leave arrangements.

*Leon H. Keyserling*  
LEON H. KEYSERLING  
Acting Administrator

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

February 20, 1942

To Local Housing Authorities:

SUBJECT: Recording the Purchase of Air Raid Equipment

Under date of February 6, 1942, we advised you concerning preparations for air raid protection in conformance with regulations of Local Civilian Defense Officials.

In this connection air raid supplies and equipment, such as ladders, fire hose, fire extinguishers, sand, buckets, temporary emergency wiring, black-out curtains, etc., are deemed to be eligible development costs, provided such costs are within budgetary limits.

Such equipment purchased prior to the determination of the Final Development Cost is payable from the Development Fund and is chargeable as a development cost under Structures and Equipment (Account No. 1460). The payment for air raid supplies and equipment purchased subsequent to the determination of the Final Development Cost should be from the Administration Fund and such costs charged to Sundry Equipment (Account No. 4499).

Very sincerely yours,

  
LEON H. KEYSERLING  
Acting Administrator

FEDERAL WORKS AGENCY  
UNITED STATES HOUSING AUTHORITY  
Washington

February 24, 1942

TO ALL LOCAL HOUSING AUTHORITIES

It has recently been called to my attention that Local Housing Authorities have had difficulty in computing payments in lieu of taxes, and that the method used has been cumbersome. Attached is a memorandum on this subject describing a new simple manner of computing such payments which will greatly reduce the work of both the Local Housing Authorities and the United States Housing Authority.

Please be assured that we are constantly working toward a simplification of procedures so that your work and our work will be reduced to the minimum necessary for good administration.

Very sincerely yours,

  
LEON H. KEYSERLING  
Acting Administrator

Attachment

February 24, 1942

Computation of Payments in Lieu of Taxes

In cases where the Cooperation Agreement provides that the Authority shall pay the City annually in lieu of taxes and other fees and charges a sum equal to a stated percentage of the aggregate shelter rent charged to tenants during the preceding calendar year, the formula for computing such taxes should be as follows:

The aggregate total of the Dwelling Rent Schedule (Account No. 3100), Tenant Rent Surcharges (Account No. 3410), Employee Rent Surcharges (Account No. 3420), and Dwelling Utility Surcharges (Account No. 3440), less the amount of Dwelling Vacancy Losses for the period as reflected in Account No. 3310, less the actual amount of Dwelling Utility Charges for the period as reflected in Account No. 4300, multiplied by the percentage as stipulated in the Cooperation Agreement.

This computation should be made at the close of each calendar quarter after which a journal voucher should be prepared and recorded (as of the last day of each such calendar quarter) debiting "Payments in Lieu of Taxes" (Account No. 4820) and crediting "Accrued Payments in Lieu of Taxes" (Account No. 2136). The payment of such taxes to the local taxing body will be made on the date specified in the Cooperation Agreement, at which time the amount of such payments will be charged to "Accrued Payments in Lieu of Taxes" (Account No. 2136).

In cases where the Cooperation Agreement provides that the amount payable in lieu of taxes is to be based on the amount of rentals collected from tenants, it is recommended (if agreeable to the Local Authority) that in the computation of such taxes the same formula be used as when the payment is based on the amount of rentals charged. This may result in a negligible increase in the amount of taxes payable to the local taxing body but such increase will be greatly offset by the saving in time that would otherwise be required were the computation to be based on the amount of rentals collected, which would necessitate a complete analysis of each individual tenant's account for the entire year.

Adherence to the above procedure is urged in order to insure uniformity.

NATIONAL HOUSING AGENCY  
FEDERAL PUBLIC HOUSING AUTHORITY  
Washington

February 25, 1942

TO ALL LOCAL HOUSING AUTHORITIES, PROJECT MANAGERS,  
CONSTRUCTION ADVISERS, AND HOUSING MANAGERS:

This is to notify you that on Friday, February 27, 1942, our offices will be moved from Washington, and after Monday, March 2, 1942, they will be located at

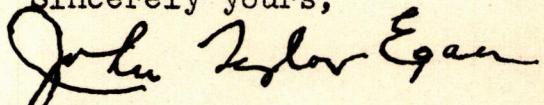
270 Broadway, New York City.

We would appreciate it if you would notify the Architects, Engineers, and other persons who have contractual relations with your Authority of this change of address.

All communications should, in the future, be addressed as follows:

John Taylor Egan  
Federal Public Housing Authority  
270 Broadway  
New York City

Sincerely yours,



JOHN TAYLOR EGAN  
For the Acting Commissioner

NATIONAL HOUSING AGENCY  
FEDERAL PUBLIC HOUSING AUTHORITY  
Washington

February 27, 1942

TO ALL LOCAL HOUSING AUTHORITIES

The Management Manuals which are being sent to you were prepared prior to the consolidation of housing agencies. The Manual expresses the fundamental principles and procedures for managing slum clearance and low-rent housing. It is the product of our mutual experience. The advice of the Management Division of NAHO was of particular assistance in its preparation.

Please note that the copies are numbered on the first pages of the volume. When replacements or additions to this Manual are issued you will receive sufficient copies to bring up to date each volume issued to you.

Very sincerely yours,

*Leon H. Keyserling*  
LEON H. KEYSERLING  
Acting Commissioner

NATIONAL HOUSING AGENCY  
FEDERAL PUBLIC HOUSING AUTHORITY  
Washington

March 11, 1942

TO ALL LOCAL HOUSING AUTHORITIES

In response to a recent request from the Bureau of Labor Statistics, all weekly pay rolls and weekly pay roll summaries which were previously mailed direct to the United States Department of Labor, Washington, D. C., shall hereafter be mailed to:

Bureau of Labor Statistics  
U. S. Department of Labor  
Lafayette School (Main Bldg.)  
West Haines & McCallum Streets  
Germantown, Philadelphia, Pa.  
Attention: Mr. Arno Osterhaus

As heretofore, these documents shall be transmitted by the construction adviser (project manager on Lanham projects) or by the Regional Office if the construction adviser is not on duty. We shall appreciate your cooperation in seeing that this modified procedure is carried out.

Your copies of Part II of the Manual of Instructions of Accounting Procedure for Local Housing Authorities should be amended accordingly.

Sincerely yours,

*S. J. Elson*

S. J. ELSON  
For the Acting Commissioner

NATIONAL HOUSING AGENCY  
FEDERAL PUBLIC HOUSING AUTHORITY  
Washington

March 18, 1942

To All Local Authorities:

From time to time suggestions have been made that local governments should participate in any reductions in subsidies which are achieved by local housing authorities with respect to low-rent housing projects which are being assisted with annual contributions in accordance with the provisions of a contract executed by USHA pursuant to the provisions of the United States Housing Act of 1937. It has also been suggested that the improvement (or likelihood thereof) with respect to the incomes of many occupants in projects which are located in war industry centers might make possible increases in the amount of payments in lieu of taxes (or service charges as they are sometimes called) paid with respect to such projects.

After extended consideration of these suggestions, the Federal Public Housing Authority believes that the desired results can best be accomplished through a policy which would meet the problem both in relation to the present emergency and in relation to the long-term low-rent housing program. The FPHA is therefore glad to give its approval, necessary under the terms of the Assistance Contract, for the voluntary payment by local housing authorities to local taxing bodies of a proportion of the amounts available for the reduction of subsidies (regardless of whether such amounts result from increased rental income or operating economies) on the conditions herein-after stated. For convenience, such voluntary payments to local taxing bodies will be referred to herein as "Supplemental Payments in Lieu of Taxes."

Local authorities, where authorized by State law, may, with respect to each statutory project, pay to local taxing bodies an aggregate sum (for all payments in lieu of taxes required to be paid under the terms of the Cooperation Agreement and all Supplemental Payments in Lieu of Taxes) equal to 1/6 of the amount which would have been available, at the close of each fiscal year, for the reduction of subsidies if no payment in lieu of taxes had been made. This will mean that the portion of the subsidy saving distributed to the local government will equal 20% of the amount distributed to the Federal government which, as you know, represents the minimum ratio of local to Federal subsidy indicated by the United States Housing Act of 1937.

The amount which may be paid as a Supplemental Payment in Lieu of Taxes will be determined in the following manner:

To All Local Authorities - 2

At the close of each fiscal year the local authority will calculate the amount which would have been available for deposit in the Annual Contributions Reduction Account (Item 12 on form USHA 939 or Item 7 on form USHA 939-A) in accordance with existing procedure as though no such supplemental payment were to be made. This amount is the total amount available for reduction of subsidies.

In the case of statutory projects with respect to which Cooperation Agreements provide for a payment in lieu of taxes, the amount which may be paid as a Supplemental Payment in Lieu of Taxes will be equal to 1/6 of the sum of (a) the amount available for the reduction of subsidies plus (b) the amount of contractual payments in lieu of taxes accrued for such fiscal year, from which 1/6 there shall be deducted the amount accrued for the fiscal year involved for payments in lieu of taxes in accordance with the terms of the Cooperation Agreement.

In the case of statutory projects with respect to which the local authority is not obligated by the Cooperation Agreement to make a payment in lieu of taxes, the amount which may be paid as a Supplemental Payment in Lieu of Taxes will be equal to 1/6 of the total amount available for the reduction of subsidies.

Under these circumstances the amount which the local authority will be required to deposit in the Annual Contributions Reduction Account will be the total amount available for the reduction of subsidies less the amount of the Supplemental Payment in Lieu of Taxes. The amount of the Supplemental Payment in Lieu of Taxes, which is computed at the end of a fiscal year, may be paid by the local authority to the local taxing bodies after the next succeeding Annual Contribution Date provided that the local authority has deposited in the Annual Contributions Reduction Account all the amounts required to be deposited therein and there has been deposited with the Fiscal Agent the full amount of Accruing Annual Contribution provided in the Assistance Contract. The Supplemental Payment is also subject to compliance by the city (or such other public body as may be involved) with its obligations with respect to equivalent elimination and its other undertakings as set forth in the Cooperation Agreement.

The payment of the amount required under the terms of any existing Cooperation Agreement will, of course, continue to be made at the time required by such agreement.

A careful study and analysis made by the FPHA has indicated that in order to provide the necessary cushion against the possibility of a decrease in future years in the value of tax exemption to an amount below the local contribution required

To All Local Authorities - 3

by the Federal statute, it is possible to permit Supplemental Payments in Lieu of Taxes only in those years in which the value of the local contribution (prior to deducting therefrom any payments to the local taxing bodies) would be equal to at least 30% of the Fixed Annual Contribution provided in the Assistance Contract. Also, the provisions of this letter cannot, of course, be retroactive in effect so that they can apply only to fiscal years which end after the date of this letter.

As Supplemental Payments in Lieu of Taxes will be purely voluntary payments on the part of the local authority, existing Cooperation Agreements should not be amended or modified in any manner.

Detailed information with respect to the proper accounting procedure for reflecting Supplemental Payments in Lieu of Taxes on the books of the local authorities is enclosed. There is also enclosed a form letter which you may desire to use in advising the local government of this new policy. Of course, the letter should be adapted to your local conditions, and, before the letter is sent, a determination should be made by your Authority whether the policy announced herein will result in the making of a Supplemental Payment in Lieu of Taxes in your particular case.

We are now working on a similar plan with respect to PWA Housing Division projects which are leased to local authorities and with respect to defense projects developed pursuant to the provisions of Public No. 671, and we shall inform you as soon as possible with regard to the Supplemental Payments in Lieu of Taxes that it will be possible for you to make with respect to any such projects which you may have.

If you have any questions or desire any additional information, we shall be glad to be of assistance.

*Leon H. Keyserling*  
LEON H. KEYSERLING  
Acting Commissioner

Enclosures 2

ACCOUNTING AND BUDGETING PROCEDURE RELATING TO  
SUPPLEMENTAL PAYMENTS IN LIEU OF TAXES

While no change will be necessary in the present procedure of charging payments in lieu of taxes (or service charges) required by Cooperation Agreements as an operating expense of each Development to Account No. 4820, the recording of supplemental payments in respect thereof will necessitate the establishment of a new account to be known as "Supplemental Payments in Lieu of Taxes" (Account No. 6100), which will be an expense account of the Statutory Project and will not be broken down with respect to Statutory Projects which include more than one Development. This item should be considered as an expense for the fiscal year at the end of which the computation is made, although the actual payment to the local taxing body will not be made prior to the next succeeding Annual Contribution Date.

For recording such supplemental payments on the books of account the procedure set forth below should be followed in detail:

(1) A determination should be made at the close of each fiscal year of the amount available for the reduction of subsidies. To determine this amount, the operating account (the 3000 to 4000 groups), the USHA Annual Contributions Account (Account No. 5000), the proceeds of sale of excess land, if any, transferred to the Bond Service Account on the last preceding Annual Contribution Date as reflected in Account No. 5100, and the Debt Service Account (Account No. 6000) will, in accordance with the established procedure, be transferred to the Income and Expense Clearance Account (Account No. 2700). The balance in this latter account will not be considered as final nor the balance carried forward until the provisions in item (3) of this memorandum have been completed.

(2) A preliminary calculation should next be made with respect to Items 1 through 12 of Form USHA-939 (or Items 1 through 7 of Form USHA-939-A). Item 12 of Form USHA-939 (or Item 7 of Form USHA-939-A) will indicate the total amount that is available for the reduction of subsidies prior to giving effect to the amount, if any, of the supplemental payment in lieu of taxes.

(3) Determination should then be made of the amount, if any, of the Supplemental Payment in Lieu of Taxes computed as being payable to the local taxing body. In the case of Statutory Projects with respect to which Cooperation Agreements provide for the making of payments in lieu of taxes, the amount of such supplemental payment will be equal

to one-sixth (1/6) of the sum of (a) the amount available for the reduction of subsidies (as provided by Item 2) plus (b) the amount of contracted payments in lieu of taxes accrued for such fiscal year, from which 1/6 there shall be deducted the amount accrued for the fiscal year involved for payments in lieu of taxes in accordance with the terms of the Cooperation Agreement. For example:

(a) Amount available for the reduction of subsidies (as provided by item 2)	\$11,000
(b) Amount of contracted payments in lieu of taxes accrued for such fiscal year	
Sum of (a) and (b)	<u>1,000</u>
	\$12,000
One-sixth ((1/6) of the above amount)	2,000
Less Contracted payment in lieu of taxes (item b)	<u>1,000</u>
Supplemental Payment in Lieu of Taxes equals	\$1,000

In the case of Statutory Projects with respect to which the Local Authority is not obligated by the Cooperation Agreement to pay payments in lieu of taxes, the amount which may be paid to the local taxing body will be equal to one-sixth of such total amount available for the reduction of subsidies.

In all instances Supplemental Payments in Lieu of Taxes are subject to the conditions outlined in the accompanying memorandum.

The amount of Supplemental Payments determined as eligible will be recorded on the books through the means of an Accounts Payable Voucher debiting "Supplemental Payments in Lieu of Taxes" (Account No. 6100). The credit will be to "Administration Account Creditors" (Account No. 2113). A Journal Voucher would then be prepared and recorded debiting the amount to the "Income and Expense Clearance Account" (Account No. 2700) and crediting "Supplemental Payments in Lieu of Taxes" (Account No. 6100).

(4) The "Income and Expense Clearance Account" should then be totaled and the balance carried forward, after which Forms USHA-937 (or 938) and 939 (or 939-A) should be computed on the basis of the final balance in such "Income and Expense Clearance Account." With respect to Form 937 (or 938) it will be necessary to insert between items (5) and (6) the item of "Supplemental Payments in Lieu of Taxes" which will be deductible from income.

In applying the above procedure it will be noted that the amount finally determined in Form 939 (or 939-A) to be available for deposit in the Annual Contributions Reduction Account has been reduced by the amount of the Supplemental Payment in Lieu of Taxes due the local taxing body.

In preparing the budget for the Statutory Project on Form USHA-935 for the first fiscal period, or on Form USHA-936 for subsequent fiscal years, the additional payment in lieu of taxes should be deducted immediately above the last item which is entitled "Balance-Estimated Amount Available for Reduction of Next Succeeding Annual Contribution."

Accounting instructions will be promulgated shortly in connection with Supplemental Payments in Lieu of Taxes for PWA Housing Division Leased Projects and Defense Projects financed under Act 671.

Honorable John Smith  
Mayor of the City of Fairview

My dear Mayor Smith:

For some time now the Housing Authority of the City of Fairview has been considering ways and means of effecting economies which will permit a reduction in local and Federal subsidies extended in connection with our low-rent housing developments. /Recently our interest in this matter has become especially intensified because of the fact that we have agreed to assist our war effort by accepting as tenants during this period of national emergency, persons engaged in national defense activities whose incomes are somewhat higher than we had originally contemplated although still within the statutory limits applicable to our activities. These families with incomes higher than those of families we would ordinarily accommodate naturally do not need the subsidy required by the families of lower income which we had originally intended to serve./

We are now happy to be able to advise you that the Fairview Housing Authority has succeeded in working out, with the cooperation of the Federal Public Housing Authority (to which the functions of the United States Housing Authority have recently been transferred by Executive Order), a plan so that your City government may share, on an appropriate proportionate basis with the Federal government, in all subsidy savings which we may be able to effect /, whether such savings are due to operating economies or increased rental income./ We have obtained that Authority's authorization to make each year a payment to the City of Fairview /which together with the service charge or payment in lieu of taxes provided by the Cooperation Agreement between the City of Fairview and our Housing Authority will be/ equal to 20% of the amount by which the maximum permissible Federal subsidy is reduced at the end of each such year. As you know, this is the minimum ratio of local to Federal subsidy indicated by the United States Housing Act of 1937, the Federal enabling legislation.

The payment in lieu of taxes proposed to be made pursuant to this letter /, to the extent that it exceeds the payment in lieu of taxes or service charge contemplated by the Cooperation Agreement,/ is to be a voluntary payment on our part and no amendment of the Cooperation Agreement is contemplated. It will be made shortly after the end of our /next/ fiscal year and will be made without any further action or demand on your part.

Please be assured that we will always direct our best efforts to the administration of the housing projects of our Authority in a manner which will be of greatest benefit to the City of Fairview.

Very sincerely yours,

Housing Authority of the City of  
Fairview

NATIONAL HOUSING AGENCY  
FEDERAL PUBLIC HOUSING AUTHORITY  
Washington

March 23, 1942

TO ALL LOCAL HOUSING AUTHORITIES

It is necessary that we determine the number of defense families who are housed in FPHA-aided low-rent developments. You are therefore requested to identify each tenant engaged in defense work by stamping the word "Defense" in red across the face of the "Report on Project Tenants," Form 41, submitted for such families accepted for either initial or continued occupancy. Where Form 41 has been submitted for these families prior to the above date, revisions need not be made or new forms submitted. Where "41" cards have not been previously submitted, the new procedure of stamping the cards is to be instituted.

Except at the time of re-examination, the entire card is to be filled in for regular low-income families; but where the family is accepted for initial or continued occupancy on the basis of employment in a defense industry, only items "1" through "14" are to be completed and the card appropriately stamped.

It should be noted that the term "Defense" should be applied to only those families which have been accepted by reason of the fact that a family member is employed in an industry which has been specifically designated as a defense industry, or by reason of serving in any of the armed forces of the United States.

Very sincerely yours,

For the Acting Commissioner

NATIONAL HOUSING AGENCY  
FEDERAL PUBLIC HOUSING AUTHORITY

WASHINGTON

April 6, 1942

To All Local Housing Authorities:

Subject: Monthly Report of Cumulative Total of Cash Disbursements to End of Month, Form FPRA-921 (Rev. 4-8-42)

Separate and apart from the Monthly Financial Report, each Local Authority shall prepare and submit to the Federal Public Housing Authority, attention of Research and Statistics Division, a report designated as "Monthly Report of Cumulative Total of Cash Disbursements to End of Month," Form FPRA-921 (Rev. 4-8-42). This supersedes the report "Monthly Report of Capital Borrowings, Funds Available, Balances, and Disbursements," Form USHA-921 (Rev. 7-1-41), and the letter of July 14, 1941 to all Local Housing Authorities pertaining to the report.

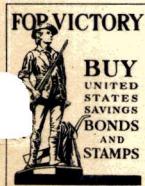
The FPRA will supply the postal card form. The report is to be prepared and mailed in sufficient time to enable its receipt in Washington not later than the tenth of the month following the close of the month for which the report is made.

One card is to be submitted each month by each Local Housing Authority to report the consolidation of accounting figures for all USHA-aided statutory projects being developed. It is suggested that each Local Housing Authority retain for reference purposes a duplicate copy of the data submitted.

It is especially important that the numbers of all developments included in the report be entered on the line after "Development Nos." Reports should be numbered consecutively, continuing the system now in use.

The following are detailed instructions and explanations for the preparation of the information requested on Form FPRA-921 (Rev. 4-8-42).

It will be noted that the revised form provides for only two (2) items and their total.



(over)

Local Housing Authorities - 2

Item 1, "Development Costs Paid to Date," represents that amount which is always shown in the center box at the bottom of page 2 of Form FPHA-213.

Item 2, "Total Other Cash Disbursements," represents the amount shown in the left hand box at the bottom of page 2 of Form 213.

The total of these two items represents the amount of cash disbursements to end of month that is required immediately by the Research and Statistics Division for purposes other than those for which the detailed data contained on the completed Form 213 are used.

Region  
For the Commissioner

NATIONAL HOUSING AGENCY  
Federal Public Housing Authority  
Washington

April 15, 1942

TO LOCAL HOUSING AUTHORITIES:

The National Association of Housing Officials has notified you of the Preconference Roundtable for new management personnel, which it will sponsor on May 8 and 9 in the Lord Baltimore Hotel, Baltimore, Maryland.

The Federal Public Housing Authority is glad to cooperate in furthering the purposes of this Roundtable. The recent increase in the number of new housing personnel has been accompanied by an increase in the number and complexity of operating problems. For this reason we welcome the opportunity this conference presents for new managing personnel to meet and discuss their problems, exchange views and experiences, and in so doing gain a broader knowledge of the latest techniques and practices of public housing.

All local authorities are urged to designate new managers or the responsible management employee in each development if these employees have been employed since October 1, 1941. The expense involved in attending may be considered a proper charge upon administrative funds.

Because of the nature of the Roundtable program (there are no formal speeches, but all those attending will participate actively in discussions), it is necessary that NAHO and FPHA know who are coming.

Please advise immediately the names and titles of those who will attend. Send your communication to:

National Association of Housing Officials  
522 Transportation Building  
Washington, D. C.

  
Lee F. Johnson  
For the Commissioner

NATIONAL HOUSING AGENCY  
FEDERAL PUBLIC HOUSING AUTHORITY  
WASHINGTON

April 30, 1942

TO ALL LOCAL HOUSING AUTHORITIES:

As you are aware, there is a transportation problem which may make it difficult to obtain fuels for operating housing developments. The Office of Solid Fuels Coordination, Department of Interior, Washington, D. C., has made a study of the situation and is urging every consumer of coal to put into storage this summer his entire requirements of coal if possible, and if this is not possible, to store as much as he can.

It is advisable for each consumer of coal to store as much coal as possible this summer, while the mines can produce it and the railroads can haul it. This is of the utmost importance in its effect on the entire fuel situation and deserves your serious consideration.

Very sincerely yours,

Director, Region

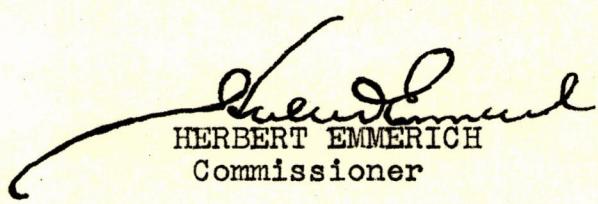
NATIONAL HOUSING AGENCY  
FEDERAL PUBLIC HOUSING AUTHORITY  
WASHINGTON

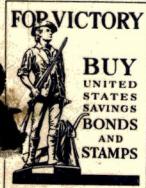
June 6, 1942

TO ALL LOCAL HOUSING AUTHORITIES:

June 14 has been proclaimed by the President as Flag Day. In his proclamation, the President stressed the fact that, in this time of war, "We as a nation are not fighting alone. \* \* \* we are fighting shoulder to shoulder with the valiant peoples of the United Nations, "all of them dedicated to the principles of the Atlantic Charter, all of them pledged to fight on till the Axis is destroyed. The President urged that on our traditional Flag Day "we honor not only our own colors, but also the flags of those who have signed with us the Declaration by United Nations." Now more than ever before, Americans want to show their recognition that we are not alone in this fight, but that ranged alongside us are twenty-five other peoples fighting for freedom.

A poster has been prepared which shows in full color the flags of the twenty-six United Nations against a background of the Statue of Liberty, captioned "The United Nations Fight for Freedom." A supply of these posters, in two sizes, 14 x 10 and 28 x 20, is being sent to you for display on Flag Day and through the summer. It would be greatly appreciated if you will make every possible effort to see that their distribution is as effective as possible in your office and in projects under your supervision.

  
HERBERT EMMERICH  
Commissioner



NATIONAL HOUSING AGENCY  
FEDERAL PUBLIC HOUSING AUTHORITY

WASHINGTON

June 12, 1942

TO ALL LOCAL HOUSING AUTHORITIES AND HOUSING MANAGERS.

Housing developments which use coal should stock from 35 to 75 percent of a year's coal requirements by next September 15. In practically all cases this will require the piling of coal on the ground outside of the boiler rooms and normal coal storage spaces.

This recommendation is made because transportation facilities will increasingly be required to handle war materials and it is contemplated that there will be great difficulty in moving coal by water and rail and in making truck deliveries next fall and winter. It is also recognized that the storage of this coal on the housing development property will entail an additional cost of from one to two dollars per ton to protect it by the necessary wood fencing and for the extra handling which will be required. In general, those developments which are farthest from the mine from which the coal is produced, should store the larger proportion of a year's requirements. It is recommended that steps be taken promptly to secure this supply.

Very sincerely yours,

Director, Region ...