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AG 400.12 (2 Nov 50)COM-B
SCAPIN 2129

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
APO 500

2 November 1950

MEMORANDUM FOR: JAPANESE GOVERNMENT

SUBJECT: Policies for Procurement with Termination of War (Works) Funds

1. Supreme Commander for the Allied Powers Memorandum for the Japanese Government, AG 400.12 (26 Jun 50)COM-B, SCAPIN 2104, Subject: Control of Obligations and Expenditures of Funds Appropriated for Requirements of the Occupation Forces, 26 June 1950, is hereby rescinded. The provisions of this SCAPIN do not constitute a change in policy contained in the former SCAPIN but provide a clarification of policy governing current procedure.

2. The Commanding General, Japan Logistical Command, is the sole procuring agency for the Occupation Forces. He will establish procurement procedures and forms and will issue necessary implementing instructions thereon. Personnel other than procurement officers appointed by the Commanding General, Japan Logistical Command, are not authorized to procure or to negotiate for procurement for the Occupation Forces.

3. The Japanese Government will designate a single agency to effect procurement of supplies, construction, real estate and services, except Occupation railway services, signal communications facilities and requisitioned labor, for the Occupation Forces. The establishment and operation of that agency will be supervised by the Commanding General, Japan Logistical Command.

4. Procurement will be initiated and effected only on the basis of procurement instruments issued by the Commanding General, Japan Logistical Command.

a. The selection of contractors is normally a responsibility of the Japanese Government. Specific designation of contractors by the Occupation Force is authorized only when approved by the Commanding General, Japan Logistical Command.

b. Types of contracts to be used will be as directed by the Commanding General, Japan Logistical Command. Whenever the requirements under a procurement instrument can be stated specifically in terms of end items and/or end services to be procured at a specified unit of measurement, the bid which is accepted will be recognized as the official price for the item or service.

5. In addition to the procurement instruments referred to in paragraph 4, a Miscellaneous Expenditure Voucher, SCAP Form 20, Inclosure 1, is authorized for the following uses:

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a. To control those expenditures required by Japanese Law in connection with the labor for requirements not covered by procurement instruments, such as:

- (1) Japanese Government's Share of premium payments for health insurance, Seaman's insurance, unemployment insurance and for welfare pension insurance covering indigenous employees for the Occupation Forces.
- (2) Injury and/or death allowances under workman's accident compensation in excess of 90 days regular pay by unit pay rolls as authorized by the Special Procurement Agency regulation.
- (3) Retirement allowance.

6. In addition to the procurement instruments referred to in paragraphs 4 and 5, a Reimbursement Voucher, SCAP Form 14, Inclosure 2, is authorized for payment in the amount specified for authorized travel of indigenous employees for the Occupation Forces when properly certified by a fiscal or obligating officer of the Occupation Forces. Payments will be reported on the Schedule of Disbursements (for miscellaneous expenditures), Inclosure 3.

7. Receiving officers will furnish the contractor a formal receipt executed in accordance with procedures established by the Commanding General, Japan Logistical Command, for supplies, services, construction and real estate furnished or rendered. Payment from Termination of War (Works) funds is authorized when based upon such receipts.

a. Receipts will be certified by an Occupation Forces obligating or fiscal station officer as to the sufficiency of funds in the accounting classification to be charged. No payment will be made in excess of the amount thus certified to be available.

b. Disbursing officers will be furnished signature cards for those Occupation Forces personnel authorized to certify funds. Disbursing officers will maintain a file of signature cards and verify the signature appearing on the receipt before making payment.

c. Disbursing officers will verify the amount certified on the receipt with the vendor's invoice and the contract, and will pay that amount which is the lowest of the three instruments.

d. Payment will be made upon verification of the request for payment so as to avoid the payments of interest under Japanese Public Law No. 256 for 1949.

e. Disbursing officers will furnish the Indigenous Reconciliation Unit, Office of Comptroller, General Headquarters, Supreme Commander for the Allied Powers, a Schedule of Disbursements (for personal services), Inclosure 3, a Schedule of Disbursements (for procurement vouchers), Inclosure 3, and a Schedule of Disbursements (for miscellaneous expenditures), Inclosure 3, immediately after the close of business on the day on which such disbursements occur. Entries for communications services will be shown on the Schedule of Disbursements (for procurement vouchers), Inclosure 3. All disbursements made on Miscellaneous Expenditure Voucher, SCAP AGO Form 20, will be entered on the Schedule of Disbursements (for miscellaneous expenditures).

f. The Japanese Government will furnish the Supreme Commander for the Allied Powers a list of the names and locations of the various disbursing officers making disbursements of Termination of War funds for the purpose of establishing a disbursing officers' station list. Changes in locations, deletions or additions to the original list shall be reported as they occur.

g. Advance payment to contractors, not to exceed 30% of the contract price, may be made upon approval of the Commanding General, Japan Logistical Command. Such payments are authorized upon presentation of a formal receipt certified as to sufficiency of funds as set forth above.

8. Supplies, materials, equipment and real estate furnished the Occupation Forces upon a procurement instrument will be released to the Japanese Government agency directed in paragraph 3 when they become excess to the needs of the Occupation Forces.

9. In all cases of deviation from the above procedures, immediate report will be rendered to the Supreme Commander for the Allied Powers. A full report, listing all pertinent details, will be rendered as soon as the facts are available. A copy of each report will be rendered to the Commanding General, Japan Logistical Command.

10. The Comptroller, General Headquarters, Supreme Commander for the Allied Powers, and authorized representatives of the Commanding General, Japan Logistical Command, will make periodic examinations of Japanese Government expenditures from funds appropriated for the support of the Occupation Forces to insure compliance with the provisions of this memorandum.

11. Directives issued by the Supreme Commander for the Allied Powers for accomplishment of work or projects which are for the benefit of the Japanese people, or to carry out the terms of surrender, or to otherwise accomplish the purposes of the Occupation, will be implemented under the

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surveillance of Occupation Forces charged with such surveillance by the Supreme Commander for the Allied Powers. No form of procurement instrument will be issued to cover these requirements and receipts will not be given for supplies or services necessary for their accomplishment. Payments will not be made from TOW (Works) funds pursuant to directives from the Supreme Commander for the Allied Powers, unless such payments are fully justified by the provisions of the applicable SCAPINs, by implementing instructions issued by those Occupation Force agencies charged with surveillance or by a plan submitted by the Japanese Government and approved by the Supreme Commander for the Allied Powers.

FOR THE SUPREME COMMANDER:

3 Incls

1. SCAP AGO Form #20
2. SCAP AGO Form #14
3. WD Form #35, Signature
Card with accompanying
Schedules of Disbursements.

K B Bush
K. B. BUSH *B*
Brigadier General, USA
Adjutant General

INSTRUCTIONS FOR PREPARATION AND USE

1. This form is to be used for:
 - a. One-time purchases of supplies or materials too small to justify P. D. procedure and not to exceed ¥ 36,000.
 - b. Pay insurance premiums and/or other prescribed allowances for Occupation Force workers by the Japanese Government.
 - c. Authorization for transfers of funds between appropriations when directed by SCAP.

2. The form will be prepared and submitted by the Occupation Force or by the Japanese Government agency requesting authority to make payments and/or transfer of appropriations with TOW (Works). In either case, the form must be certified by the appropriate fiscal officer of the Occupation Forces before disbursement or transfer of funds is authorized.

3. A copy of each paid voucher will be returned by the Japanese Government disbursing officer to the Occupation Forces Fiscal Officer who certified it for payment.

4. In event of transfer between appropriations, the Comptroller, General Headquarters, Supreme Commander for the Allied Powers and Far East Command, will prepare the form to show both the appropriation to be debited and the appropriation to be credited.

5. This form will not be used for:
 - a. Procurement of services of a recurring nature.
 - b. Direct hire of indigenous personnel.
 - c. Reimbursement for travel.

<u>Receiving Report</u>	<u>Special Instructions for Vendors</u>
I certify that the supplies and/or services listed in the "Quantity" column hereon and as specified in Vendor's Invoice attached have been received and accepted.	A copy of Vendor's Invoice will be attached to each copy of SCAP AGO FORM #20 and will bear the following certificate: I certify that the above bill is correct and just and that payment therefor has not been received.
(Date)	
(Signature)	
(Rank)	(Signature of Vendor)

TRAVEL AUTHORIZATION
AND
REIMBURSEMENT VOUCHER

Part I
Travel Authority

Hq _____

Serial _____

(Date) _____

1. Under the provisions of SCAP Ltr AG 123 (15 Apr 50) COM-B, Subject: Payments to Indigenus Personnel for Expenses Incident to Travel Directed by the Occupation Forces, 15 April 1950, the following Japanese employees will proceed from _____ to _____ for approximately _____ days in connection with _____ . Upon completion will return to this station:

2. The travel directed herein is necessary in the service of the Occupation Forces.

(Name of Issuing Officer)

(Rank and Organization)

Part II
Reimbursement Voucher

D. O. Voucher No. _____

The Japanese Government

Certified for Payment in
sum of
¥
Station Fiscal Officer
By _____

TO: _____
(Payee)

(Address)

Employing Unit or
Agency

Paid By

(For use of paying
officer)

For travel expenses incident to authorized travel performed in accordance with Part I above and as itemized on reverse side of this form.

ACCOUNTING CLASSIFICATION (For completion by administrative office)					
Appropriation Symbol	Command Code	Fiscal Station Number	Project Account	Object Class	Appropriation Amount

Paid in Cash ¥ _____ on _____ 19 _____

Sign Original

Only _____
(Signature of Payee)

ITEMIZED SCHEDULE OF TRAVEL AND OTHER EXPENSES

1. Date and hour of departure from official headquarters _____
(Date) (Hour)
2. Give duty status on first day of voucher period:
 *Arrived at _____ on _____ 19____
 for temporary duty for approximate period _____
 Approximate date of return to official headquarters _____ 19____

*If authority provides for travel to more than one point, time of arrival and departure from each should be stated in body of the account in chronological order.

Date 19__	CHARACTER OF EXPENDITURE (To be itemized by the day and fully explained)	Sub. Vou. No.	Amount		Notations Payee must not use this column
			Sub- sistence	Other	

I certify that official travel was performed by the claimant as represented in paragraph 1 and 2 above, and that the amounts claimed are just and reasonable, except as noted.

Signature of Issuing Officer
2

Name (Type or Print)	Grade	Organization
Station	Date	
Signature of Officer authorized to certify vouchers for payment.		
Class of Vouchers		
I certify that the above is the signature of the authorized Certifying Officer.		
(Signature of Commanding Officer)		
Name (Type or Print)	Grade and Title	
WD FORM No. 35 (May 1945)		WAR DEPARTMENT SIGNATURE CARD

SCHEDULE OF DISBURSEMENTS
(For Personal Services)

Sheet No. ___ of ___ Sheets Disbursing Office _____
 Schedule No. _____ Station No. _____
 Month _____ 19___ Ministry or Prefecture _____

Date of Payment	D.O. Vou. No.	Pay-roll Vou. No.	Accounting Classification					Gross Pay	Deductions			Net Pay
			Appn	Com. Code	Fis. Sta. No.	Proj. Acct.	Obj. Class		Tax	Health Ins.	Welfare Ins.	
Totals												

SCHEDULE OF DISBURSEMENTS
(For Procurement Vouchers)

Sheet No. ___ of ___ Sheets Disbursing Office _____
 Schedule No. _____ Station No. _____
 Month _____ 19___ Ministry or Prefecture _____

Date of Payment	Voucher Check No.	Contract No.	P. R. No.	Accounting Classification	Total Amount Paid

SCHEDULE OF DISBURSEMENTS
(For Miscellaneous Expenditures)

Sheet No. ___ of ___ Sheets Disbursing Office _____
 Schedule No. _____ Station No. _____
 Month _____ 19___ Ministry or Prefecture _____

Date of Payment	D.O. Vou. or Check No.	A. O. Vou. No., Travel Order No., or Other Document No.	Accounting Classification					Total Amount	Tax
			Appropriation	Com. Code	Fis. Sta.	Proj. Acct.	Object Class		

Inclosure 3