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COVER PICTURE

On the covers of recent issues of POPULAR GOVERNMENT have appeared five pictures from the murals on the walls of the Institute of Government. These pictures have presented a thumbnail sketch of North Carolina.

The great variety of the State was first depicted on the magazine in the two scenes contrasting the sand dunes of the east and the mountains of the west. This contrast was further strengthened by pictures of a western stream and an eastern lagoon. The power dam on the cover of the June POPULAR GOVERNMENT portrays the fulfillment of the mountain stream's promise of wealth and power.

Another major factor in North Carolina's economy is portrayed on this month's cover. Tobacco, particularly at this time of the year, provides one of the principal occupations for the people of the State. To the North Carolina farmer and to North Carolina industry tobacco is in truth a source of wealth and power.

On the next issue of POPULAR GOVERNMENT another farm scene, showing another money crop, will appear. In both these pictures segments of North Carolina's population are shown working in the fields.



LOUIS A. CHERRY
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1944 Schools of Law Enforcing Officers

To Be Conducted by the Institute of Government in Chapel Hill

With the Cooperation of the Federal Bureau of Investigation and Other Agencies Listed Below

METHODS OF INSTRUCTION

In these schools the method of instruction will be a departure from the traditional method of lectures and note-taking. In addition to the lectures and explanations, demonstrations in modern techniques will be given by experts. The demonstrations will be followed by actual practice on the part of the class members and the achievement of skill through supervised practical participation in enforcement methods. To illustrate:

The traffic officers will not only be told how to investigate traffic accidents including hit and run cases, but will also be given demonstrations of accident investigation by skilled and experienced investigators. Thereafter, each student will be required to take part in group investigations of hypothetical cases using prepared accident scenes. The results of the instruction will be thoroughly tested by the instructors who will judge the effectiveness of the instruction by the manner in which the students handle the cases.

Likewise, the method of practice and testing will be followed in the preparation of cases for court and testimony in moot court. The same procedure will be applied to the surveying of traffic hazards, the maintenance of traffic records, the preparation of traffic spot maps and enforcement indices. Every phase of the functions of the traffic enforcement officer will be covered by this modern method of instruction.

INSTRUCTION STAFF

Members of the instruction staff for these schools will be drawn from:

Institute of Government
Federal Bureau of Investigation
Yale University Bureau for Street Traffic Research
State Highway Patrol and Division of Highway Safety
State Bureau of Investigation
State Highway and Public Works Commission
City and County Law Enforcing Organizations.

COST OF ATTENDANCE

The only cost to each person attending will be fifty cents a day for room and not over a dollar and a half a day for meals.

APPLICATIONS FOR ADMISSION

Police Departments, Sheriffs' Offices and other law enforcing agencies are requested:

To single out the officers they wish to send to these successive schools, and

To send their applications for admission without delay to Albert Coates, Director of the Institute of Government, Chapel Hill, N. C.

Scientific Crime Detection: September 17-23

This school will open with registration at the Institute of Government building in Chapel Hill September 17 at 2:00 p.m., with the following program beginning at 3:00 p.m.:

Introduction to Crime Detection
The Crime Detection Laboratory

Evidence
Crime Scene Searches
Physics in Crime Detection
Chemistry in Crime Detection
Blood and Other Body Fluids
Microscopy
Restoration of Numbers
Documents

Reproduction of Evidence
Firearms Identification and Toolmarks
Glass Examinations
Drawing and Charting
Practical Work in Photography
Indoor and Outdoor Crime Scene Searches

Police Records Systems: September 24-27

This school will open with registration at the Institute of Government building in Chapel Hill September 24 at 2:00 p.m., with the following program beginning at 3:00 p.m.:

Introduction
Importance of Records

Records for Villages, Sheriffs, and Small Cities
Records for Larger Cities
Complaint Reports
Arrest Records
Stolen Property File
Follow-up System
Daily Bulletin

Central Record Room
Summary of Police Records
Spot Maps
Practical Problem: Consolidated Daily Report
Uniform Crime Reporting
Report Writing

Traffic Law Enforcement: October 1-12

This school will open with registration at the Institute of Government building in Chapel Hill October 1 at 2:00 p.m., with the following program beginning at 3:00 p.m.:

Development of Traffic Problems
Components of Public Safety
Police Responsibilities in Traffic Control
Visual Aids
Accident Investigation
Hit and Run Accidents

Accident Investigation Field Work
Traffic Accident Records
Guides for Traffic Enforcement
Accident Investigation Field Work
Motor Vehicle Codes
Traffic Surveys and Studies
Traffic Safety Education
Pedestrian Education
Pedestrian Protection
Traffic Courts
Traffic Control Devices
Speed Control

Psychology of Pedestrians and Drivers
Trial of Traffic Accident Case
Bicycle Safety
Model Traffic Training Programs
Driver Testing
Enforcement Rates and Indices
Community Safety Organizations
Public Approach in Traffic Violations
Traffic Regulations
Intoxicants
Seminar on Local Traffic Problems
Coordination of Traffic Control

Traffic Engineering: October 12-14

This school will open with registration at the Institute of Government building in Chapel Hill October 12 at 2:00 p.m., with the following program beginning at 3:00 p.m.:

Elements of Highway Traffic Problems
Traffic Surveys and Studies
Vehicular Volume Counts and Origin-Destination Surveys

Speed and Delay Studies
Accident Records and Uses
Highway Policies in Urban Areas
Application of Highway Planning Surveys
Traffic Regulations
Traffic Control Devices
Traffic Design
Elements of Channelization
Discussion of Roadway Design Policies and Practices for Urban Areas

Intersection Redesign
One-way Streets
Stop Streets
Traffic Functions in Road Maintenance
Administrative Problems in Urban Traffic Control
Discussion of Local Problems and Review

General Law Enforcement: Oct. 22-Nov. 3

This school will open with registration at the Institute of Government building in Chapel Hill October 22 at 2:00 p.m., with the following program beginning at 3:00 p.m.:

Law Enforcing Agencies:
City, County, State and Federal
Territorial Limits of Law Enforcing Agencies
Avenues for Cooperation
Crime Prevention Agencies
The Law of Arrests

Laws of Search and Seizure
Methods and Practices in Making Searches
Crimes Against the Person
Crimes Against Property
Crimes Against Public Morals
Methods, Practices and Techniques
Conducting Interviews
Questioning Suspects
Confessions: Voluntary and Involuntary
Rules of Evidence
Preparation of Cases for Trial
Testifying in Courts
Fugitive Investigations

Extradition Proceedings
Constitutional Rights and Privileges of Accused Persons
Recording Crime Scenes
Duties at Crime Scenes
Patrol Work
Traffic, Fires, Public Gatherings
Suspicious Persons and Places
Receivers of Stolen Goods
Giving Aid and Information
Parades, Assemblies, Riots and Emergencies

Police Executives Conference: November 3-5

This school will open with registration at the Institute of Government building in Chapel Hill November 3 at 2:00 p.m., with the following program beginning at 3:00 p.m.:

General Police Administration and Organization

The Budget
Selection of Personnel
Public Relations
Training of Personnel
Personnel Problems
Personnel Records
Cooperation Among Law Enforcing Officers

Communications
Police Manuals
Inspections
Assignment Records: Organization of Roadwork

Public Purchasing in Guilford County

The Court House and Public Purchasing

Guilford County Purchasing Personnel. Two offices and two storerooms in the Guilford County Court House are the especial province of Harry Weatherly in his capacity as purchasing agent. Miss Annie Furman Parham, his secretary, shares with him these purchasing responsibilities and also helps him in his other duties. In her office are kept forms used in the purchasing process and most of the files growing out of it. One file not in her office is the file of inventory cards of materials and supplies handled through the storerooms. This file, in the storeroom itself, is kept by M. H. Waynick, whose duties include checking deliveries to the Court House, disbursing materials and supplies from the storerooms in exchange for storeroom receipts, handling the county's mimeograph machine, cutting machine and mailing machine, and exercising general supervision of the Court House and other county buildings.

Harry Weatherly values his two assistants; in fact, he feels that these two and the county officials for whom the purchasing is done do so much through their cooperation and teamwork to make his purchasing problems easier that he often feels that they and the county officials deserve most of the credit for the smoothness and effectiveness of the process. Perhaps the answer lies in the fact that cooperation begets cooperation, for Weatherly without doubt is a very satisfactory person with whom to work.

What Does a County Buy? In carrying out its governmental functions, such as the maintenance of the County Home, the County Health and Welfare services, and the County jail, in the operation of the Court House with its accountant's office, sheriff's office, clerk's office, office of the register of deeds, office of the tax supervisor and tax collector, and in support of sessions of the Superior Court, every North Carolina county has necessary and special expenses that entail varied purchases. The following list of items essential to

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Government



the performance of its governmental services will outline the character of County purchases: food, clothing, disinfectants, coal, cars and trucks, gasoline and oil, paints and varnishes, doctors' bills and hospital bills, utility service bills, printed forms, and record books. Of course, this list is so sketchy and so incomplete that it serves only to point out the fact that county functions of necessity entail fairly extensive purchases. In the more populous counties the maintenance of these governmental services requires purchases of considerable dollar volume—from half a million to a million dollars a year depending on how populous the county is. In some counties the employment of a full-time purchasing agent is justified by the dollar volume of the County's purchasing. In others, the part-time services of a county official or employee is by far the more economical method of purchasing.

Legal Basis for County Purchasing. C.S. 1302(12) provides: "It shall be the duty of the board of commissioners to provide for the purchasing of supplies for the different departments of the county government in such a manner as may prevent waste and duplication in purchasing, and may obtain the advantage of purchasing in larger quantities." The 1927 Legislature by the language of this statute endorsed centralized purchasing and imposed on the board of commissioners of each county the duty of adopting at least a modified form of centralized purchasing for every county. The statute continues: "To that end

the board may designate some competent person, either a member of the board or some other officer or agent of the county as purchasing agent, whose duty it shall be to superintend the purchasing of all materials and supplies for the county, and the board may prescribe the duties of such purchasing agent." This portion of C.S. 1302(12) is in effect a broad enabling act permitting each board of county commissioners a free hand in tailoring the form of centralized purchasing control to fit the needs of its county. Variations in the population and wealth, and therefore in requirements, of the counties are a strong recommendation for giving to each board of county commissioners this broad authority.

In Guilford County the Board of County Commissioners in 1931 performed the duty set out in the statute by designating Harry Weatherly as purchasing agent. That the commissioners had selected a "competent person" was attested by the fact that in 1942, they elected to exercise their authority under C.S. 1302(5) by conferring on him the title of "County Manager," and, with it, responsibility for the administration of all the departments of the county government which the Board of County Commissioners had authority to control. In addition to his new responsibilities as the executive officer for the Board of Commissioners, which accompanied his new office as County Manager, he remained the Guilford County Purchasing Agent.

City Hall Aids County Court House. At the time that Weatherly became purchasing agent for Guilford County, George Eichhorn, then the purchasing agent for the City of Greensboro, had already established in Greensboro's City Hall a purchasing department set-up comparable to the best to be found in any local governmental unit today. Weatherly found a mine of information on public purchasing by walking those few city blocks from the Court House to the City Hall. Here the 22-year-old county purchasing agent studied the forms used, the purposes served by each form, the methods of filing each

(Continued on page 7)

Postwar Planning in North Carolina

After the Revolution, Civil War, and World War I

Presented at the Postwar Planning Institute conducted by the Institute of Government.

I

AFTER THE REVOLUTIONARY WAR

... The period from 1775 to 1815, during which we won our independence from Great Britain, saw the first planning program in North Carolina. . . . The story begins on April 19, 1783, the eighth anniversary of the Battle of Lexington, when Alexander Martin, Governor of North Carolina, officially informed the Legislature that His Britannic Majesty George III had acknowledged the independence of the United States. "Nothing now remains," he added, "but to enjoy the fruits of uninterrupted Constitutional Freedom, the more sweet and precious as the tree was planted by virtue, raised by the toil, and nurtured by the blood of Heroes."

But His Excellency, as his successors have been too wont to do, had looked upon a field of jimson weed and thought it a garden of roses. The weeds of postwar inflation, bankruptcy, and political chaos had run riot over the garden and choked the roses to death. North Carolina had a lot of hoeing and weeding to do before she could enjoy the fruits of constitutional freedom or, for that matter, of any other kind of freedom. The black clouds of disaster hung like a pall over her people and they could see but little hope of relief from either their own state or from the Confederation of the States.

But the dark clouds had their silver lining. There was courage in the hearts of the people. They refused to despair. They refused to indulge idly in a fool's dream of a spontaneous constitutional freedom. They knew they had won their brand of freedom at the price of sweat and blood and tears, and they knew also that they could enjoy its fruits at no smaller cost. They knew, too, that independence was not the end but the beginning of an era, and they set themselves resolutely to plan the kind of era they wanted it to be.

The Most Urgent Problems

Their most urgent postwar problems were the age-old problems of political order, economic security, and social justice, problems that could be solved only through a stable government and an enlightened citizenry. Stable government could be had by the ratification of the newly proposed Federal Constitution of 1787 and by such



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reforms in the State Constitution of 1776 as would make their state government more responsive to the popular will.

By 1789 eleven states had ratified the Federal Constitution, but in 1788 North Carolina had refused to go along with them and in consequence found herself ejected from the newly founded family. This error the postwar planners were determined to rectify. They would carry their case directly to the people. Their leaders had had the foresight to have the debates in the Hillsboro Convention of 1788 stenographically reported; they now published these debates and distributed them widely throughout the state. Their confidence in the people was justified. The people forced the Legislature to call a second convention which met at Fayetteville in November 1789. At the same time and place the General Assembly met in regular session. The two bodies were composed largely of the same men, and they put through the Convention, "according to plan," a resolution ratifying the Federal Constitution and through the Legislature a bill establishing the University of North Carolina. These two measures they regarded as integral parts of "a comprehensive plan of state-building." . . .

The Constitution of 1776

But paper plans are not self-executing. The machinery through which alone these plans could be carried into effect was the

State Constitution of 1776. Unfortunately that machine was equipped with defective gears. Its chief defect was the basis of representation in the Legislature which disregarded population and gave every county one senator and two commoners. Moreover, no man could be a member of the Senate unless he owned in fee 300 acres of land, or a member of the House of Commons unless he owned in fee 100 acres of land, and no person could vote for senators unless he owned 50 acres of land or for commoners unless he had paid public taxes. Moreover, the Legislature elected the governor, and no man could be governor unless he owned land worth at least \$5,000. Property, not people, controlled the state government. Since there were more counties in the East than in the West, the great slaveholding planters of the East controlled the Legislature and, therefore, the policies of the State for sixty years after independence. These are cardinal facts in the history of North Carolina. To repair the defects in the Constitution was the second objective of the postwar planners of 1789, but during the next forty-odd years their efforts to loosen the clutch that privilege held on the constitutional machinery of the State got exactly nowhere.

Public education and constitutional reform were stopped at the line of scrimmage. Having taken the first step in public education by establishing a state university, the Legislature promptly abandoned that institution to the lifelong anaemia induced by poverty and under-nourishment which to this day prevents it from adequately performing the services for which it was established. Moreover, during the next half-century, the Legislature unceremoniously threw into its wastebasket every recommendation of the governors that it establish a system of public schools. Exactly fifty years after the adoption of the first state constitution the Governor told the Legislature that it was then more difficult to obtain an elementary education in North Carolina than it had been in 1776.

Educational conditions were reflected in economic conditions. Legislators excused their neglect of public education upon the plea that the State was too poor to support a system of public schools. They had not yet learned that ignorance and poverty are Siamese twins. North Carolina possessed all the human and natural resources to make a great and prosperous state; she lacked nothing but education. North Carolina's chief economic problem was the problem of adequate transportation and available markets; both waited upon intelligent

legislation and trained engineers. Neither was to be had. North Carolina's road law of 1840 was her road law of 1740, and so were her roads. In 1820 the State tried to inaugurate a system of transportation, but could not find within her borders a single engineer competent for the job. Yet the first student who entered the University twenty-five years earlier had gone there to study engineering. . . . That opportunity had been denied to him and to others who came after him by the failure to support that institution with either adequate funds or suitable endowment, and twenty years later the State's chickens came home to roost in the guise of impassable roads, undredged rivers, unimproved harbors, bankrupt industries, and a people illiterate and poor.

And so during the first half-century of independence, the sleep of death held North Carolina in its grip. Two-thirds of her adult white population could neither read nor write. She clung to the lowest rung in the economic ladder of the states. No mills or factories impeded the flow of her streams to the sea. Her agriculture stagnated, her commerce languished, her population was at a standstill. By 1840, the tide of emigration had swept 300,000 natives of North Carolina into the new states of the Northwest and the Southwest in search of opportunities denied them at home. Her neighbors scornfully called her the "Rip van Winkle" of the states!

II

AFTER THE WAR OF 1812

But enough of this gloomy picture. A new phase began with the year 1815, the year of Waterloo and of New Orleans. For the first time in more than a generation Europe and America paused in their careers of war to turn their attention to the works of peace, and during the next half-century there followed on those continents an era of greater economic and social progress than the world had seen in the five preceding centuries. The outcome of our second war with Great Britain, as Archibald D. Murphey said, "gave admittance to liberal ideas," and throughout the United States produced a spirited rivalry among the several states in works of internal improvements, industry, and public education. In North Carolina a group of farsighted statesmen laid down the broad outlines of a plan of development which, as Governor Graham said thirty-five years later, "inaugurated a new era in the public policy of the State." Their program embraced three interlocking phases—public education, economic development, and constitutional reform.

Public Education

To public education, they gave the place of preeminence. In 1815 they took their initial step by creating in the State Senate

the first legislative committee on education in our history. During the next two years this committee made exhaustive studies of the school systems of the most progressive nations of Europe and of the other states of the American Union, described without mincing words the true educational conditions of North Carolina, and submitted to the Legislature a series of reports that contained, as a competent authority has truly said, "the profoundest and most comprehensive educational wisdom ever presented for the consideration of a North Carolina Legislature." The committee's work culminated in the public school plan of 1817, which embraced a complete, integrated system of public schools reaching from the elementary grades, through the high school, up to the University, to be supported jointly by local taxation and state funds. The eastern dominated Legislature ordered the plan to be printed and then forgot it. But its supporters were not to be denied; they took their cause to the people in a statewide campaign, determined to force the Legislature's hand. Their first victory came in 1825 when they induced the Legislature to set aside certain state revenues and securities as a "Literary Fund," dedicated to public education, and administered by a State Literary Board. After this spurt the lawmakers rested from their labors to await the day when the Literary Fund should have grown to proportions adequate for its purpose.

Economic Development

This result the State-planners did not propose to leave to chance. They knew the Literary Fund could not grow unless there was a general upward swing in the State's economic curve. And so they linked public schools and internal improvements together as two phases of a single program. A legislative committee on internal improvements was created; studies of the plans of other states and of the peculiar needs of North Carolina were made; and a series of preliminary reports was submitted to the Legislature, climaxed in 1819 by a masterly "Memoir on Internal Improvements" which presented a complete plan of internal transportation. The plan proposed that the inlets through which the waters of the Atlantic pour into the great sounds along our coast be deepened, navigable rivers dredged, canals cut, and that these water routes be tied together by a network of turnpikes into a unified state system. To meet the cost of these projects, a State Internal Improvements Fund, administered by a State Board of Internal Improvements, was to be created, and private capital invited to join forces with the State.

Here was a vast, daring program that even today will stimulate your imagination if you take the trouble to study it. Those who formulated this plan had caught a vision of long trains of wagons rolling

and rumbling over miles of turnpikes, clumsy barges poling their way silently through winding canals, river steamers churning the yellow waters of the Roanoke, the Neuse, and the Cape Fear, all transporting the produce of North Carolina's forests and fields and factories to North Carolina ports for distribution to the markets of the world. A dream? Yes, but a very practical dream as New York's Erie Canal was already showing. Thus more than a century ago these Carolina planners anticipated Governor Broughton's recent advice to the Planning Board of 1943 to "keep its eyes on the stars and its feet on the ground."

Constitutional Reform

Again a great plan! Again a long wait! Again disappointment! Was there no way out? The hurdle in the way was an outmoded state constitution. That constitution must be modernized to enable the will of the people to find expression in appropriate legislation. People, not artificial units of local government, must be made the basis of representation. By 1820 two-thirds of the State's free white population lived in the West, but the East, having a majority of the counties, still controlled the Legislature. The democratic West wanted public schools; the landlocked West, transportation facilities. The slave-holding East blocked both. Clearly a constitutional convention was imperative, but for twenty years every convention bill introduced in the Legislature was overwhelmed by an avalanche of eastern votes, while schools and internal improvements knocked in vain for admittance into the halls of the General Assembly. Finally a peculiar combination of circumstances that need not be described here swung two eastern counties to the support of the West, and in 1834 that combination by narrow majorities in both houses forced a bill through the Legislature providing for a popular referendum on the question of calling a convention.

The proposal was approved by the people and the convention met in Raleigh in the summer of 1835. It submitted a number of amendments to the people for ratification, the most important being: (1) A Senate of 50 members chosen from districts formed on the basis of taxes paid into the state treasury, a concession to the wealthy East; (2) A House of Commons of 120 members based on federal population, a concession to the populous West; (3) The election of the governor by popular vote instead of by the Legislature. On the whole these changes registered a victory for the West. They assured that section control of the House of Commons and of the two Houses sitting in joint session, and greatly increased its weight in the election of the governor. All proposed amendments were ratified at the polls by a strictly sectional vote. . . .

an item that would be lost permanently if the re-order were early by six months, but implicit in the story there is evidence of the value of the purchasing agent's enthusiasm, alertness, and knowledge. It cannot be questioned that keen interest in, and a sound source of, information on: (1) when the last purchase of a particular supply item was made (2) how large the purchase was, and (3) how long such a quantity should last can save money for the taxpayer.

Perhaps the strongest story to illustrate the use of the Purchase Record File as a Purchase Control is one that emphasizes the need for a careful checking of deliveries.

A good price on canned goods resulted in an order for 360 lbs. of canned goods to be packed in five cartons containing twelve 6 lb. cans. Delivery was made and a receipt signed for the canned goods by the ordering agency. A re-order by the using agency checked against the Item File indicated better than double speed consumption of the canned goods. A telephone call to the department head resulted in an immediate check which disclosed that delivery had been made in five cartons, each carton containing six 5 lb. cans. The check was made while an empty carton and an empty can were still on hand. This check showed that a 360 lb. order for canned goods had resulted in a delivery of 150 lbs. of canned goods. The Purchasing Agent's Purchase Record File in this case led to the correction of a 210 lb. under-delivery.

Checking Deliveries

The incident related above illustrates the need for a general practice of carefully checking all deliveries. If there is no central receiving station, the essentials of a sound checking system are:

(1) The purchasing agent must furnish to each department a copy of the purchase orders for goods to be delivered to that department.

(2) The purchase order must show: (a) the quantity ordered and (b) the quality specifications.

(3) Some official or employee in each department must be held responsible for checking all deliveries to his department against the purchase orders.

(4) No invoice should be paid by the accounting department unless accompanied by a proper receiving report.

In Guilford County the careful checking of deliveries has been in effect for some years and the strict receiving methods have proved their worth. Guilford officials agree that the purchase of scales and other simple testing devices have more than justified the expense involved. Reputable vendors dealing with the county approve the strict receiving methods since these methods unmask fly-by-night competitors who, relying on short delivery for their profit, steal orders with bids below prices possible for honest dealers. Also reputable firms, with every desire to avoid mistakes, make them through the carelessness of employees. Such firms realize the value of careful delivery checking, for they know that every error caught reduces the ratio of future errors by keeping their employees on their toes.

In addition to checks on the quantity and quality of goods delivered, damages in shipment are watched for and, if found, noted on the vendor's receipt.

Public Purchasing Is Teamwork

Every purchasing agent will agree that the keystone in the purchasing structure is co-operation. Department and agency heads and the purchasing agent are part of a team. As public officials, the aim of all is to give to the citizen the best possible service at the least possible cost. Guilford County has achieved teamwork in its public purchasing.

The smoothness of the teamwork in any governmental unit adopting centralized purchasing is due in no small measure to the personal qualities of the purchasing agent, but there are at least two other requisites if the machinery of purchasing is to function without grinding friction to lessen its effectiveness. The first of these is that the purchasing agent must be given sufficient authority by the governing body and be backed by the real support of that body. The second is that the purchasing agent must exert that authority only when efficient purchasing demands its use, and even then with the realization that his real function is not only to procure for every governmental ser-

vice every item needed by any department or agency, but also that the quality and service features of every item purchased must satisfy the people who use it.

Harry Weatherly stresses the co-operation that he has received from the various department and agency heads in the county. He feels certain that such co-operation is the keystone in the purchasing arch, and that it is essential to success in centralized purchasing in Guilford County or anywhere else.

A Service and Savings Shortcut

Guilford County has a paper-cutting machine purchased for the photostatic work necessary in connection with the Register of Deeds Office and other county records. Around this cutting machine the purchasing department has built a series of services resulting in savings to the county. The cutting machine permits the cutting of paper stock to any desired shape or size. This cutting machine and a mimeograph machine have been used for making court calendars, requisition forms, and any other forms needed by the county for which mimeographing would serve as well as would printing. Neat pads of forms cut on the cutting machine, mimeographed on the mimeograph machine, and made into pads in the Court House are distributed to departments and agencies at costs far below that for printing. (Printers may doubt that this service would stand up as a saving if strict cost accounting records were kept.)

Savings thus achieved make possible many services to county agencies that might otherwise have been impossible within the budget. The most impressive form in stock is a chest chart for the Tubercular Sanatorium prepared on a mimeoscope for running on the mimeograph machine. This form or chart shows the chest cavity and the bony structure of the chest in sufficient detail to be used in charting the progress of the disease in the chests of patients at the Sanatorium. In addition to this form there are many others in the files which represent usefulness at the lowest possible cost.

Guilford County Uses State Contracts

In POPULAR GOVERNMENT for March, 1935, Marion Alexander dis-

cussed the possibility of permissive purchasing under certain State contracts. No formal action has ever been taken with reference to such purchases, but permission to purchase under these contracts has been granted in specific cases, and actual purchases have been made under their terms.

Copies of all State contracts are available at the office of the local Board of Education. Harry Weatherly has purchased gasoline and motor oil, disinfectant and many other items under these contracts. He describes his procedure as follows:

When Weatherly has found the terms of a State contract advantageous, he has discussed with the representative of the firm holding that State contract the question of purchasing under it. Correspondence with the firm usually won permission to purchase thereunder, sometimes dependent upon approval by the State purchasing agent. In each such case, Wilmer Betts, as Head of the State Division of Purchase and Contract, agreed by letter to give willing permission, but pointed out the fact that the State could assume no responsibility for payment.

State contracts frequently offer better prices than counties or cities could obtain, as the consolidation of state departmental requirements produces quantity purchases on such a scale as to obtain lower prices than could be gained on individual county or city volume. However, a general practice of counties and cities of purchasing under these contracts might well prove an attraction to firms bidding on State contracts, since the State volume would represent a minimum volume with a highly reasonable expectation of a greatly increased trade volume growing out of the contract through purchases by local governmental units throughout the State. Such a practice, if generally followed, could improve the terms offered the State by bidding firms who would recognize that the probable maximum volume of business to be expected for the holder of a State contract would far exceed the volume of the State government's anticipated purchases.

Little enthusiasm for such a contract potential can be expected under present economic conditions.

Many firms are not seeking a market because they do not have enough products to meet the present demand. However, in days to come scarcity of materials and supplies will be a thing of the past. Again firms will be seeking a market for products which they, as well as their competitors, have for sale. When that day comes, as it will soon after the war, firms should find an open channel to city and county fountain heads of purchasing a strong incentive to strive to lower the terms offered the State on its contracts.

Statutory Divisions of County Purchases

C.S. 1316(a) and 1316(b) sets up for every "county, city, town or other subdivision of the state" requirements for letting contracts "for construction or repair work, or for the purchase of apparatus, materials, or equipment." Guilford County purchasing procedure under these statutes falls into three divisions: (1) purchases of \$1000 and over (2) purchases of \$200 or over but under \$1000 and (3) purchases of under \$200.

Contracts of \$1000 or Over. On contracts involving an estimated expenditure of \$1000 or more of public money, C.S. 1316(a) specifically "reserves to the governing body the right to reject any and all" bids received, but does not permit them thereafter to buy in the open market at a price below the lowest bid. It would seem that such contracts must, if awarded, be awarded by the governing body in accordance with a strict procedure requiring (1) advertisement (2) sealed bids accompanied by a penalty bond (3) public opening of these bids on a day and hour stated in the advertisement (4) recording of the bids on the minutes of the governing body and (5) awarding of the contract to the lowest responsible bidder. Every such award results in a written contract not alterable except by written agreement of the contractor, the governing body, and the sureties on the bond.

Purchases of \$200 or Over but Under \$1000. C.S. 1316(b) now revised as G.S. 143-131 reads: "All contracts for construction or repair work or for the purchase of apparatus, supplies, materials or equipment, involving the expenditure of

public money in the amount of two hundred (\$200) dollars or more but less than one thousand dollars (\$1000), made by any officer, department, board or commission of any county, city, town or other subdivision of this state, when practical, shall be awarded to the lowest responsible bidder, after informal bids have been secured, and it shall be the duty of such officer, department, board or commission to keep a record of all bids submitted, and such record shall be subject to public inspection at any time."

Under this statute the making of contracts of \$200 or over but under \$1000 in value may be by any "officer, department, board, or commission." In Guilford County these contracts are handled by the purchasing agent. In negotiating these contracts Weatherly's practice is to (1) secure informal bids (2) award the contract to the lowest responsible bidder and (3) keep, of all bids submitted, a record for public inspection.

The language of the statute—"when practical, (such contracts) shall be awarded to the lowest responsible bidder after informal bids have been secured"—seems to give to the purchasing agent, through the two words "when practical," authority to meet emergencies requiring the expenditure of \$200 or over but under \$1000 without following the competitive bidding procedure. However, the Supreme Court and the Attorney General's office have given a very strict interpretation to statutory words and phrases that circumvent the requirement for letting contracts after advertisement for bids.

The statute is silent as to the number of bids to be secured, but Weatherly attempts to get at least three bids, five or more if possible, on every contract; his records of bids submitted prior to 1942 generally show five or more, though in the war period the scarcity of bidders has often made this impossible.

Factors Affecting Real Cost. Since (1) the quality and service records of the bidding firms (2) discounts allowed (3) time of delivery and (4) point of delivery are all factors in determining the lowest responsible bidder, Harry Weatherly considers each of these whether the contract be for "construction or repair work, or for the purchase of appara-

tus, supplies, materials, or equipment." While the statute reserves to the governing board the right to reject all bids on contracts of \$1000 or over, there is no provision giving the purchasing agent this right on smaller contracts; however, on these informal bids there is no critical stage such as the time set for the opening of sealed bids on the larger contracts. Only the urgency of the governmental unit's need for the material or service in question would force the purchasing agent's hand and compel him to accept one of several bids, none of which seemed satisfactory to him. If, as is highly improbable, no quotation seems to the purchasing agent to represent a reasonable price, what can he do? In the absence of pressing necessity for immediate delivery, he can seek other bids before letting the contract.

Contracts of Under \$200 in Value. There is in the General Statutes no regulation of the procedure for negotiating purchases and contracts of under \$200 in value. Therefore, in the absence of local regulation, the purchasing agent's discretion is complete on such contracts. In actual practice, when a requisition is received, Weatherly examines past purchase records for price range and for information on the quality and service records of firms handling the requisitioned commodity in much the same fashion as for larger purchases. His next move is to ask several reliable firms for informal quotations. If the order is one for only a few dollars, he will telephone for quotations. If the order is one for as much as fifty or one hundred dollars, he is likely to send out a written request for quotations. However, it is worth noting that where his purchase order records show the last bid accepted to be well below the others submitted for that commodity, Weatherly often asks the firm with that low bid to fill his new order at the old contract price; this is very likely to be the case if the market trend has been upward since the last bid was submitted.

Further evidence of the broad discretion exercised by the Guilford County purchasing agent with regard to small contracts and small purchases may be found in the use of an "Approval for Payment" form and in the use of a petty cash ac-

count as part of the purchasing set-up.

The "Approval for Payment" form is used by the various departments and agencies of the county to authorize payment for services already rendered and for goods already delivered without the prior issuance of a requisition form. This "Approval for Payment" form in such a case replaces the purchase order. To illustrate the uses of this form, Weatherly might pick out of the purchasing files a form showing: (1) fresh vegetables delivered at the County Home (2) plumbing repairs of an emergency nature in the Court House or (3) the servicing of a county truck requiring first aid while on the road.

As an example of the use of this form, a delivery at the County Home of winter cabbage by truck from the mountains, will serve. When the truck with winter cabbage arrives, the superintendent calls a wholesale dealer to check on the proper price for the cabbage and then takes delivery. Growing, thereafter, out of this transaction, an "Approval for Payment" form duly issued would pass over the purchasing agent's desk to be signed by him. This is a case of delegation of authority by the purchasing agent, for it is only in cases where the purchasing agent has agreed to a special procedure or he himself has outlined conditions which warrant a special procedure that purchases are handled for him rather than by him. Such special procedure is limited to small purchases not controlled by statutory regulation.

Petty Cash Account

The petty cash account in the purchasing agent's office is set up in the budget as a special budget account under the general fund. Each time that the petty cash account gets low, a list of items paid for from the account is sent to the county accountant with supporting paid bills; the petty cash account is then reimbursed. Payments from the petty cash account are for such items as: (1) 40 penny-postal cards for the accounting department (2) delivery charges on packages of forms for the tax supervisor (3) payment for the repair of a broken glass in the Court room, and similar small items on which the routing of a payment, through the

drawing of a voucher by the accounting department after due authority had been provided, would not qualify as practical because of the lack of common sense and proportion in taking so many steps to accomplish so little. A twenty (\$20.00) dollar petty cash account is kept in the purchasing office for such items.

Storeroom

The Guilford County storeroom is operated under a \$2,500 budget appropriation from the general fund. Materials and supplies from the storeroom are not charged back against budget accounts of using departments where those departments operate under appropriations from the general fund. Departments not operating under the general fund are charged with the cost of materials and supplies used by them from the county storeroom, and the general fund is credited with an equal amount.

Office supplies, janitor supplies and other routinely used, non-perishable items are handled through two central storerooms in the Court House. This makes possible the purchase of these materials and supplies in wholesale quantities at prices favorable to the county.

Purchasing Forms and Records

On pages 8 and 9 of this issue of POPULAR GOVERNMENT, the forms used in Guilford County purchasing are set out with cut lines discussing the forms.

Records Growing Out of the Purchasing Forms. In the purchasing agent's office and in the county accountant's office records of all county purchases are kept, and each department has a record of its own purchases.

Records in the purchasing agent's office:

- (1) file of requisitions.
- (2) file of informal bids received in response to requests for quotations.
- (3) file of purchase orders and approval for payment forms.
- (4) file of storeroom receipts.
- (5) item file.

Accountant's office, together in one file are:

- (1) purchase orders with invoices attached.

(Continued on page 17)

Postwar Planning

(Continued from page 6)

capita wealth of North Carolina was \$361; thirty years later it was exactly the same. In the meantime the victorious North had multiplied its wealth sevenfold. Economic recovery was retarded by political disorganization. Political peace and good government were conditions precedent to economic and social revival. Reconstruction made both impossible. The granting of political power to the Negro without making adequate provisions for training him for its responsibilities lowered the whole tone of our politics and for more than fifty years prevented the political adjustment of the State to the pattern of the new nationalism. We were made to feel the authority of the national government chiefly as a restrictive and coercive force. We were in the Union but not of it.

To these heritages of poverty and political degradation, we must add a social heritage that left us with the most perplexing, the most omnipresent social problem that any people ever had to struggle with. I mean, of course, the race problem. I do not mean the Negro. The Negro has always been with us, but the Negro in slavery presented no race problem. Slavery itself was a solution, though not a good one. The race problem is a heritage of military defeat and political oppression. It followed emancipation with the subsequent problem of the status of the free black man in a white man's civilization. It was the Nation's problem, but the Nation declined to accept it and callously threw it back into the lap of the defeated and stricken South. Even today it sets the South apart; it permeates every phase of Southern life and is the one thing in the South from which even the casual visitor cannot escape.

The Plan of the Victors

These heritages determined our postwar plans. Two rival plans were advanced, one by the victors, the other by the vanquished. The victors moved first. Their first concern was the political transition of a race of slaves into a race of voters. To the Negro, now a free laborer, it seemed, as it had seemed to Governor Martin almost a century earlier, that nothing now remained but to enjoy the fruits of uninterrupted freedom, and it was but natural that he should want to put this new freedom to an immediate test. . . . Thousands of them flocked into the larger towns, lured from the plantation by the excitement of town life. Idleness, dissipation, and relaxation of discipline bore their inevitable harvest of destitution, disease, and crime, thus creating a grave situation far beyond the capacity or the will of the native whites to cope with. Former masters washed their hands of the Negro. The federal government had created the problem, let the federal government solve it.

The federal government, compelled to step in, set up the Freedmen's Bureau, and vested it with authority to deal with all matters concerning the freedmen. The Freedmen's Bureau was a necessary, and to a large extent a beneficent agency; but its evils outweighed its benefits. It stimulated idleness by teaching the Negro to look to the federal government for support; it encouraged lawlessness by interfering with the processes of the civil courts in cases concerning Negroes; it stirred up race animosities by preaching social equality; it prepared the way for the subsequent saturnalia of political corruption by turning over the negro vote to the Union League and other secret political societies. The evil the Bureau did lived after it; the good was interred with its bones.

The victors' political plans for North Carolina found expression in the Constitution of 1868. This constitution retained the best provisions of the old constitution which it displaced and contained many new provisions that reflected the best political and social thought of the nineteenth century. As a whole it was an improvement over the Constitution of 1776. But it was an alien importation, forced upon an unwilling people by military power, and was bitterly resented by them. By enfranchising the Negro it turned over the solid negro vote to a small minority of alien whites who knew exactly what they wanted and how to get it. During their brief span of power, they debauched the electorate, they looted the treasury, they bankrupted the State, they destroyed her railroads, they plundered her school fund, they sowed the seed that ripened into a harvest of race hatred.

The Plan of the Vanquished

Such were the conditions that compelled the vanquished to bring forward their own plan for the rehabilitation of the State. The plan was simplicity itself. It had one objective—to wrest political power from the victors and restore it to the vanquished. To carry it into execution, they met their opponents' appeals to the race prejudice of the Negro by appeals to the race prejudice of the whites; they countered the lawless activities of the Union League with the lawless activities of the Ku Klux Klan. Perhaps we can excuse, if we cannot justify, their methods. At least, they succeeded. They welded the great mass of white voters into a political army calling itself the Conservative Party, and in 1876 swept the spoilers from their places of power and pillage.

The settlement of the state debt was one of two economic problems that required the immediate attention of the victorious Conservatives; the other was the rehabilitation of the State's railroad system. No economic or social progress was possible until these two problems had been solved. The total state debt amounted to approximately \$43,000,000. More than a third of it

represented the bonded debt piled up by the reconstruction government and was denounced by the Conservatives as fraudulent and unconstitutional. The balance was universally accepted as valid, but the bondholders themselves did not expect the bankrupt State to pay them at face value. Accordingly, a legislative commission was created which worked out a plan by which the fraudulent debt was virtually repudiated and the valid debt compromised on a basis acceptable to both the State and the bondholders.

The railroads, both by deterioration and by enemy action, had suffered more severely than any other kind of property in the South. Their properties had been largely destroyed by invading armies, and their treasuries were empty. The rehabilitation of road beds, tracks, and equipment was an immediate problem with every company. North Carolina railroads, to which state aid had been extended, were either unfinished or partially destroyed, and the State was unable to advance further funds to them. Two courses were open to her—either to do without adequate transportation facilities for years to come, or to turn the roads over to private enterprise. She chose the latter.

This choice, of course, meant the reversal of the State's prewar railroad policy. . . . The action determined the State's future railroad policy, and within the next two decades her railroad properties had become, either by lease or sale, integral sections of one or the other of the three great railway systems that now serve the South.

The Conservatives, by their debt settlement and their railroad policy, had opened the way for a program of social and economic development, but they held their political power by such a tenuous thread that they dared not attempt to put such a program into effect. Because of this failure their critics have damned them as the "Bourbon Democrats," implying that the ante-bellum slaveholding oligarchy, having "learned nothing and forgotten nothing," had returned to power. There was some truth in the implication. Elder statesmen whose minds dwelt too much upon the "glories of the past" were in political control and exhausted their genius in the twin tasks of keeping the Negro out of office and themselves in. They showed little understanding of the social and economic problems of the new day and frowned upon the agitation of any question that might divide the white vote. To the cause of public education they gave generous lip service, but little else. The demand of landowners for relief from an unfair tax system found them lukewarm. They turned a cold shoulder to the farmer's cry for release from a vicious credit system that held him in bondage to the time-merchant. To them any suggestion of state regulation of railroads and other public utilities smacked of rank socialism. They condemned complaints against corrupt court-

house rings and dishonest elections as calculated to return the Negro to power. Their one idea of statesmanship was to preserve the *status quo*, and that at a time when society all around them was in a state of unprecedented flux.

Voices of protest were raised here and there. New leaders had arisen who were preaching the trinitarian gospel of education, industry, and agriculture. Their doctrines awakened a ready response in the minds of thousands of young men of the postwar period and prepared them for revolt against nineteenth-century Bourbonism. The storm burst in the nineties and swept the Bourbons from power. It was, in fact, the revolt of the nineties against the Bourbons, rather than the revolt of the seventies against the carpetbaggers, that opened the way to regeneration.

The revolters were the white, small farmers of the State. Political revolution was no part of their plans; they merely sought amelioration of their social and economic conditions through constitutional channels and with a certain naive faith expected their own party, to which ninetenths of them belonged, to cooperate in these objectives. But the Bourbons would have none of them, and their refusal left the farmers no choice but to go hopefully into the Populist movement. Populism spelled the doom of Bourbonism; it wrested the scepter from the priests of the old regime and passed it over to the prophets of the new. The transition was not made without anxious searching of hearts. Unable to stand alone, their proffered alliance rejected by their former leaders, the farmers sought allies in the camp of their former enemies, hoping in spite of good authority to the contrary that the Ethiopian had changed his color.

The farmers had mapped out their program before they actually came into political power. They called for more efficient government. They sought economic relief through lower interest rates, a fairer credit system, modern banking laws, repeal of discriminatory taxation, and regulation of public utilities. They demanded better public schools. Many of their objectives found their way into the statute books where they still remain. Their one great failure was their political program; they could not give the State good government because, like the Bourbons, they were unable to deal intelligently with the race problem, and on that reef they went to wreck.

A chastened and rejuvenated Democratic party under new postwar leaders returned to power through the door of white supremacy. It must not be supposed that Democrats alone favored that program. Thousands of Populists, horrified at finding that the Ethiopian had not changed his color, and hundreds of white Republicans, anxious to be rid of their black incubus, marched in step with Democrats. They were the white hosts of the new era.

Their spirit was new, their plans were

old—good government, universal education, social justice, economic development—these now familiar objectives became the four pillars upon which they would rebuild the commonwealth. The keys to good government were an educated electorate, intellectual freedom, and social justice. These new planners declared that political power and intellectual freedom must walk hand in hand with "equal and exact justice" for all men; this alone would assure "rest from political bitterness and race antagonism," and release the energies of the people for a great outburst of industry. Constitutional reform, therefore, came first on their program in the form of an educational test for suffrage applicable in time to all voters regardless of race or color—a reform designed to assure the stability of the other three pillars of their structure.

The Harvest

In 1900 North Carolina sowed the seed; today she reaps the harvest. Healthier political conditions prevail in North Carolina than ever before in her history. Her people enjoy a degree of intellectual freedom and political tolerance that would not have been tolerated fifty years ago. The white man cannot claim exclusive credit for these results. In 1908 a convention of Negro leaders, competent to speak for their race, formally pledged their support to the new program, and simple justice requires it to be said that they have redeemed their pledge. Moreover, in 1922 the Republican party formally dissolved its political alliance with the Negro and proclaimed itself "an organization of white men and women." Since that declaration the word "Negro" has not appeared in the state platform of either political party and the Negro vote is no longer counted before it is cast. The black man has ceased to be John Charles McNeill's "Mr. Nigger" and has become a citizen.

Intellectual freedom followed and in North Carolina public questions are now tried in the court of reason and not of passion. This freedom North Carolina owes to her faith in universal education and social justice. A distinguished son of the State once summed up the educational tragedy of Bourbonism in the simple phrase, "the forgotten man." The forgotten men were the illiterate whites who as late as 1890 composed 26 percent of North Carolina's white population over ten years of age. Education had not then become a matter of general public concern; the Bourbon tradition that education is a luxury for the rich and the well-born was still the prevailing tenet in North Carolina. In 1900 the State spent a trifle over \$1,000,000 on public education and valued her public school property at a like sum; in 1943-44 she will spend approximately \$40,000,000 on her public schools and value her public school property at \$116,000,000.

Forty-three years ago, North Carolina pledged "equal and exact justice" for the

Negro. That pledge was, indeed, the heart and soul of the new program. "Universal justice," said the great leader of that program, "is the perpetual decree of Almighty God . . . and God trusts no people with authority for the purpose of enabling them to do injustice to the weak." This is the eternal truth for which we are now fighting the greatest war in history. It was the Negro's conviction that his fellow white citizens of North Carolina would keep the faith that induced him to accept that principle as a basis of race relations and thus saved North Carolina from the unspeakable calamity of a perpetual heritage of ignorance and race hatred.

IV

AFTER WORLD WAR I

We had by no means solved the problems inherited from the Civil War and Reconstruction when the irresistible forces of the past swept our country into the maelstrom of the First World War. Unlike our previous wars, the battles of the World War were fought in lands and on seas so remote from us that we failed to understand what they were doing to our American way of life; postwar prophets complacently assured us that when the boys came home all we had to do was to forget the war and take the road back to normalcy. And hardheaded, practical America fell for this soul-satisfying philosophy.

But the past is inexorable. History does repeat itself and there is nothing new under the sun. In 1920 North Carolina, like the rest of the country, took up where she had left off in 1917 in the comfortable assurance that the future called for no new plans but merely for the continuance and expansion of the old. And so the State turned her energies to the construction of highways, the building of schools, the creation of modern social welfare agencies, and the conservation and development of her natural resources.

Nothing better illustrates her approach to her post-World War problems than the scientific manner in which the State and private enterprise have cooperated in the development of her waterpower. It was state surveys that revealed to the world the immense horsepower that lay dormant in streams which for centuries had been wasting their waters in the vastness of the Atlantic. Why not harness them in the service of man? The State propounded this query; private enterprise answered it. A North Carolina capitalist led the way, and hydroelectric power plants rose like magic along the banks of our streams; like magic, mills and factories sprang into being and following ever-lengthening transmission lines soon converted thousands of square miles of wilderness into hives of industry. Lengthening transmission lines explain one of the most striking phases of

(Continued on page 17)

The Attorney General Rules

Recent opinions and rulings of the Attorney General of
special interest to local officials



**HARRY
McMULLAN**

Attorney
General
of
North
Carolina

Particular attention is directed to the rulings which appear in the boxes in this month's digest. Each of the matters presented in the boxes has been the subject of several inquiries, and they indicate the particular war-time problems which cities and counties are facing at this stage of the game.

I. AD VALOREM TAXES

A. Matters Relating to Tax Listing and Assessing

23. Exemptions—farm products

To W. D. Boone.

Inquiry: In listing property for taxes, can any indebtedness incurred for the purchase of peanuts, which are stored in the owner-purchaser's warehouse, be deducted from the total value of the peanuts stored?

(A.G.) I know of no provisions in our law which would provide for deductions or exemptions of this particular character; the owner would not be entitled to deduct the indebtedness.

B. Matters Affecting Tax Collection

23. Sale of real property

To Loomis F. Klutz.

Inquiry: What amount may be bid by a taxing unit where property is sold at a tax foreclosure sale?

(A.G.) It is my opinion that the taxing unit would be authorized to bid the amount of taxes due the taxing unit plus interest, penalties, and costs. The costs would include all costs which might be taxed against the taxpayer and this certainly would include legitimate court costs.

30. Tax foreclosure—law applicable

To Moore & Brinkley.

Inquiry: Would it be lawful for a county tax collector to omit the names of property owners who are in the armed forces of the United States, when, pursuant to statute, he advertises the property on which taxes have not been paid for the year 1943?

(A.G.) While the provisions of G. S. 105-387 require that the "governing body" shall order a sale of tax liens upon the report of tax liens being filed by the tax collector,

no penalty is prescribed for failure to make this order, and in the event the governing body should determine that in the case of persons in the armed forces of our country they would omit from the sale of tax liens such real property as may be owned by such servicemen, the liens for taxes could later be foreclosed as authorized by G. S. 105-414, formerly C. S. 7990.

However, the Soldiers and Sailors Relief Act contains no prohibition against the sale of tax liens on real estate, as this procedure does not divest the title to the land but is only a preliminary step in the actual foreclosure of tax liens.

31. Tax collection and foreclosure-procedural aspects

To Fred Folger.

Inquiry: Is there any way under the law by which a board of county commissioners may finally dispose of the insolvent list for which the tax collector is given credit in his annual settlement where the items are, as a practical matter, more of a liability than an asset?

(A.G.) There is authority contained in section 1718 of the Machinery Act for an annual settlement as to these taxes but I am unable to find any provision which would clearly authorize the final disposition of the insolvent list; i.e., merely throwing the items away. It appears to me that some legislative authority would be necessary to empower the commissioners to dispose of them after the expiration of a certain period of time.

35. Tax foreclosure—costs and fees

To Arthur D. Gore.

Inquiry: May a commission for the collection of delinquent taxes in addition to the \$5.00 fee be assessed against the taxpayer and included in the bill of cost?

(A.G.) In my opinion the provision in G. S. 105-391, paragraph (k), to the effect that the governing body of any unit may in its discretion pay a greater sum to its attorney as a suit fee or allow a reasonable commission on delinquent taxes collected by him does not permit any sums in excess of the \$5.00 to be assessed and charged against the delinquent taxpayer. The governmental unit must pay any additional amount allowed.

SERVICE OFFICER—WAR VETERANS

(A.G.) A board of county commissioners does not at present have authority to make an appropriation to pay a service officer to look after the interests of discharged service men.

V. MATTERS AFFECTING COUNTY AND CITY FINANCE

1. Issuance of Bonds

2. Debt limitation

To Hollan McSwain.

(A.G.) The burning of a school building,

resulting in complete destruction, is not such an exception as to allow the issuance of school bonds by a county without a vote of the people where the amount is greater than two-thirds of the amount by which the county has reduced its outstanding indebtedness during the preceding year.

K. Unanticipated Revenue and Surplus

To Cyrus D. Hogue.

(A.G.) It is my opinion that funds received by a town from the A.B.C. store in excess of the amount anticipated and, therefore, not included in the town's budget, may be expended by the city for not only those purposes declared to be a necessary expense under Article VII, Section 7, of the Constitution, but may be expended for public purposes whether a necessary expense or not.

CONTRIBUTIONS FOR MEMORIALS

(A.G.) If a proposed memorial to a county's service men will actually include the soldiers of the wars specifically mentioned in G. S. 100-10, I see no reason why a contribution may not be made by a board of county commissioners. However, if the memorial is to be confined to the soldiers of the present war, it would, in my opinion, be necessary that legislative authority be secured in order to justify such a contribution.

VII. MISCELLANEOUS MATTERS AF- FECTING CITIES

C. Police and Fire Protection

8. Regulation of Traffic

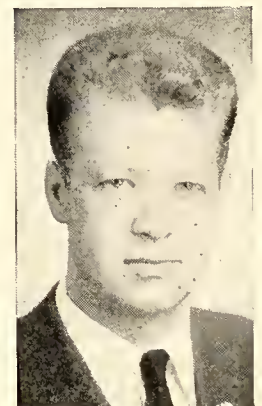
To A. L. Hamilton.

Inquiry: Does a municipality have the right to prescribe bus stops and to keep other motor vehicles from parking therein?

(A.G.) There is no North Carolina decision which specifically answers this inquiry. However, G. S. 160-200, paragraph 11, authorizes municipal corporations to adopt such ordinances for the regulation

Prepared
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and use of the streets as may seem best to the governing body. Paragraph 31, same section, authorizes a municipal corporation to provide for the regulation, diversion and limitation of pedestrians and vehicular traffic upon public streets. This grant of authority seems to be broad enough to cover the situation described.

N. Police Powers

9. Outside city limits

To C. T. Hellinger.

(A.G.) It is my opinion that a city would not have the right to regulate the operation of taxicabs beyond the corporate limits of the city, under the present law, without special authority in the city's charter.

20. Regulation of trades and businesses

To F. O. Carver.

Inquiry: What power, if any, does a municipality have under the general law to curtail the number of taxicabs using the streets?

(A.G.) This office has had this particular question presented several times and we have concluded that a municipality would have no right, under the general law to restrict the number of taxicabs operating within the corporate limits of the city if the operators were in position to comply with the other provisions of the general law regulating taxicabs. Of course, under the provisions of G. S. 160-2, municipalities are authorized to grant, upon reasonable terms, franchises for public utilities but the question as to whether the business of operating taxicabs constitutes a public utility has never been decided by the courts of this State.

PLANNING BOARDS

(A.G.) G. S. 160-22 to 160-24 authorizes cities and towns to create planning boards for the purpose of making studies of the resources, possibilities and needs of cities and towns, and provides for the appropriation of money to carry out the purposes of the creation of such boards.

I find no general statutory authority for the establishment of county planning boards or joint county-city planning boards. In the absence of a statutory authorization, I am of the opinion that funds could not be legally appropriated for such purposes. Any counties desiring to establish boards, such as the New Hanover board which was authorized by the last Legislature, could ask the next General Assembly for laws authorizing such planning boards.

VIII. MISCELLANEOUS MATTERS AFFECTING CHIEFLY PARTICULAR LOCAL OFFICIALS

B. Clerks of the Superior Court

To C. L. Jones.

(A.G.) Article IV, Section 29, of the Constitution provides that in the event of a vacancy in the office of Clerk of the Superior Court for any cause other than the expiration of the term, the Judge of the Superior Court of the county shall fill the vacancy by appointment until the next election at which members of the General Assembly are chosen. In my opinion, the term of the Judge's appointee terminates after the next general election and the candidate elected at that election is elected for the unexpired term of the late clerk and not for a full four-year term.

19. Duties with reference to adoptions

To: A. W. Graham, Jr.

Inquiry: Is it necessary that an attorney sign the petition in an adoption proceeding or should the petitioners themselves sign the petition and also sign the verification?

(A.G.) It appears to me that the form prepared by the State Board of Charities and Public Welfare, which must be used in such cases, contemplates that the petitioners should sign the petition itself and also the verification. I assume that this is due to the fact that in so many adoption proceedings no attorney is employed by the petitioners but such petitioners fill out the petition themselves. If the petitioners file the petition through an attorney I can see no objection to the attorney's signing the petition as attorney for them, with the petitioners' names appearing only on the blank lines following the verification.

55. Special terms of court

To Joe M. Cox.

(A.G.) The Governor's order for a special term of Superior Court should be recorded in the minute docket of the Clerk of Superior Court.

58. Instruments filed with clerks

To Rivers D. Johnson.

Inquiry: May the various military officers authorized under Ch. 159 of the Session Laws of 1943 to take acknowledgments of persons executing instruments and writings also take verifications of a complaint in divorce or other civil actions?

(A.G.) While this chapter seems to restrict the officers therein named to take acknowledgments of instruments required to be probated and recorded, I call your attention to G. S. 1-148: "Any officer competent to take the acknowledgment of deeds, and any Judge or Clerk of the Superior Court,

NEW SCHOOL BUILDINGS—FUNDS

Inquiry: Can a board of county commissioners make an appropriation and levy a tax for future anticipated expenditures in capital outlay for schools, beyond the year for which the appropriation and levy is made?

(A.G.) Section 15 of the School Machinery Act provides for the filing of a capital outlay budget by each county or city administrative unit subject to the approval of the tax levying authorities and the State Board of Education. It is my view that the statute contemplates a request for the capital outlay needs during the ensuing fiscal year and does not contemplate anticipated expenditures beyond that period. Of course, it is true that during the present emergency it is impossible to secure the materials to build new school buildings; but, as no one can predict how long the war will last, it is my opinion that the fact that the present emergency does exist would not prevent the school authorities and tax levying authorities from proceeding with the capital outlay levy on a normal basis. It is my opinion that the commissioners would be authorized to make a levy for the construction of new buildings if a request for the funds is included in the budget and approved by the tax levying authorities and State Board of Education.

Notary Public, in or out of the State, or Justice of the Peace, is competent to take affidavits for the verification of pleadings, in any court or county in the State, and for general purposes." It, therefore, appears that any officer who is competent to take acknowledgments of deeds may also take affidavits for verification of pleadings.

84. Special proceedings—bonds and fees of commissioners

To H. V. Rose.

(A.G.) I am of the opinion that a clerk of court would be governed by section 1-408 of the General Statutes (section 766 (a) of Michie's Code) in determining commissioners' fees in civil actions and special proceedings.

D. Registers of Deeds

5. Probate and registration

To Wm. D. Kizziah.

Inquiry: After a deed is filed for registration and the fee paid, can either the grantor or the grantee withdraw the deed from registration prior to the time that it is actually recorded in the books?

(A.G.) In my opinion, when a deed is filed for registration and the fee paid, neither the grantor nor the grantee may withdraw such deed from registration.

9. Marriage licenses and certificates

To J. G. Etheridge.

(A.G.) I know of no law which would prohibit a register of deeds from issuing marriage licenses from his home as well as from his office.

G. Registrar of Vital Statistics

2. Certified copies of certificates

To Dr. T. R. Stimpson.

Inquiry: Does a local registrar of vital statistics have authority to issue certified copies of the certificates in his possession?

(A.G.) It is my opinion that a local registrar of vital statistics is not given the power to issue certified copies of the certificates in his possession. It appears to me that the only officials authorized to issue certified copies of the certificates are the State Registrar and the Register of Deeds.

L. Local Law Enforcement Officers

9. Wine and beer license—granting and revoking

To J. P. Bunn.

Inquiry: What is the meaning of the penal provision of G. S. 18-108 (Ch. 339, Session Laws of 1943), which reads as follows: ". . . and his or its license to sell beer and/or wine shall automatically be revoked, by the court, or as otherwise provided by law"?

(A.G.) I am of the opinion that by the use of the term "automatically" the Legislature has expressed the opinion that the conviction of a defendant for a violation of the legal hours of sale in and of itself amounts to a revocation of the license.

It is my opinion that the Legislature intended by the use of the phrase "by the court, or as otherwise provided by law" that the court or other body dealing with licenses should record the fact of revocation. In other words, this phrase was intended to require only the fact of revocation be recorded or noted and is not essential to the validity of the revocation.

It is not necessary that the court impose a minimum fine of \$50.00. It seems that the court could suspend sentence in such a case, as in other criminal cases. The court would

TEACHERS' CONTRACTS

(A.G.) All teachers' contracts are made subject to the allotment of teachers by the State Board of Education and if the State Board of Education, after the close of the school term, cuts down the teacher allotment of a county or city administrative unit, the governing body of the unit would have the right to choose from the list of teachers the individuals necessary to be removed in order to bring the number of teachers within the allotment fixed by the State Board of Education.

not have authority to remit the costs in such a case. If it should attempt to do so, the defendant would still remain liable civilly therefor.

To Lacy S. Collier.

Inquiry: Can a person who is convicted of selling beer in violation of Chapter 339, Session Laws of 1943, and who has appealed from the recorder's court to the Superior Court, be deprived of his license pending the appeal?

(A.G.) I am of the opinion that a person who is convicted of violation of the provisions of this Act and has appealed to the Superior Court cannot be deprived of his license pending the appeal. But I refer you to G. S. 18-78 and 78.1 as a possible means of securing the revocation of the license pending the appeal.

To H. C. Kearney.

(A.G.) To be licensed to sell beer and wine in North Carolina, a person must be a citizen and resident of the State.

30. Slot machines

To Hoyle Hawkins.

(A.G.) Under the law as now written, all types of slot machines prohibited by the original Flanagan Act are illegal in North Carolina and this would include pin ball machines operated by means of a slot in the playing of which the operator or user has a chance to make varying scores or tallies, upon the outcome of which a wager might be made.

M. Health and Welfare Officers

31. Health laws and regulations

To Dr. J. C. Knox.

Inquiry: Are the quarantine and isolation laws relating to venereal diseases applicable to minors?

(A.G.) G. S. 130-204 et. seq. is the statutory authority for isolating persons infected with a venereal disease. These statutes apply to all persons and it is my opinion that the use of the term "persons" would include minors, and that the statute applies to all persons infected, regardless of age. In the case of minors, the juvenile court would have exclusive jurisdiction.

XI. GENERAL AND SPECIAL ELECTIONS

A. Who May Vote

1. Presidential requirements

To W. T. Jessup.

(A.G.) Persons living in trailer camps on a government owned reservation cannot thereby acquire voting residence as such residence cannot be permanent.

Postwar Planning

(Continued from page 14)

the industrialization of North Carolina. They have industrialized this rural community without destroying its rural character. The United States Census of 1940 classifies 73 percent of the State's population as rural. Nor have industries become localized. Cotton mills, tobacco factories, furniture factories, aluminum plants, lumber mills, and a thousand other kinds of industrial enterprises exist side by side. This means, of course, that North Carolina has not concentrated her industries into one or two great centers by draining the rest of the State of its wealth and its population.

But it is only when this economic development is translated into terms of social development that its full significance appears. The old Commonwealth against which the farmers revolted in the nineties was primarily a political institution; the new Commonwealth of the twentieth century is primarily a social institution. Public interest in education, art, sports, health, public welfare, labor problems, race relations, and other social problems has almost driven politics off the front page of the newspaper. The half a hundred public charitable, correctional and cultural agencies and institutions, and as many private ones, created since 1900, bear witness to this fact. Since 1920 the public school budget has quadrupled, the value of public school property has increased fivefold. The old University at Chapel Hill, with its fine classical traditions, has been transformed into a university system of three constituent institutions devoted to research and teaching in all the branches of knowledge required by a modern state. Church colleges have kept pace and one of them, by linking together in a unique way the economic and intellectual resources of the State, has won its place among the great universities of the world.

North Carolina has not been unmindful of her promise of social justice for the Negro. Although much remains to be done, much has been done to make good that promise. Upward of 275,000 negro children are enrolled in the public schools; the State supports three training schools for negro teachers, and two colleges for negro youths, and graduates of the North Carolina College for Negroes are accredited for admission into the graduate schools of the nation's leading universities—a distinction enjoyed by only three other colleges for Negroes. A state hospital for Negroes, a state orphanage for their fatherless children, and a state training school for their youthful delinquents, are guardians of the unfortunates of the race. The spirit of mutual confidence manifested by these things has tempered the prejudices of the whites and allayed the apprehensions of the blacks. You have heard *ad nauseam*

that the southern white understands the Negro; as a factor in the solution of the race problem it is even more important that the Negro understands the southern white.

... Since 1783 North Carolina has traveled far along the highway of progress. In January 1837, when the American Union consisted of only 25 states, the first governor of North Carolina elected by the people summed up North Carolina's situation in his Inaugural Address in which he said: "As a state we stand fifth in population, first in climate, equal in soil, minerals and ores, with superior advantages for manufacturing and with a hardy, industrious and economical people. Yet, with such unequalled natural facilities, we are actually least in the scale of relative wealth and enterprise, and our condition daily becomes worse—lands depressed in price, fallow and deserted—manufacturing advantages unimproved—our stores of mineral wealth undisturbed, and our colleges and schools languishing from neglect."

In 1944, of course, we make a much better showing. Among the 48 states, we rank 27th in area, 14th in assessed valuation of property, and 11th in population. But by all the other tests of what constitutes a great American state, North Carolina still ranks among the lowest ten. It is evident that her destination is still over the hills and far away; but wise planning and intelligent, courageous leadership will enable her to surmount these obstacles.

North Carolina did not get to her present position by accident. Somebody charted her course, and what past generations can plan and do, the present and future generations can plan and do. If Governor Broughton and his successors, following the example of Governor Dudley, will furnish the leadership, they can count on the people of North Carolina to transform the field of jimson weed which Governor Martin saw in 1783 into the garden of roses which Governor Broughton visualized in 1943.

Public Purchasing

(Continued from page 12)

- (2) approval for payment forms with itemized bills attached.
- (3) storeroom receipts covering purchases therefrom by all departments not operated under the general fund.

Each County department:

- (1) copies of purchase orders of that department.
- (2) copies of approval for payment forms.
- (3) copies of storeroom receipts for all departments not operating under the General Fund.
- (4) copies of requisitions (very few departments).

★ JEFFERSON STANDARD FINANCIAL STATEMENT ★

37TH ANNUAL REPORT FINANCIAL STATEMENT, DECEMBER 31, 1943

ASSETS		LIABILITIES	
Cash	\$ 7,953,056	Policy Reserves	\$102,568,427
United States Government Bonds	15,596,911	This reserve is required by law to assure payment of policy obligations.	
State, County and Municipal Bonds	4,292,145	Reserve for Policy Claims	605,495
All Other Bonds	10,555,473	Claims in course of settlement on which proofs have not been received.	
Stocks	7,255,908	Reserve for Taxes	672,119
Listed securities carried at market, cost or call value, whichever is lower.		Premiums and Interest Paid in Advance	1,104,637
First Mortgage Loans	57,342,910	Policy Proceeds Left with Company	9,126,364
On farm property \$6,749,875.		Dividends for Policyholders	1,172,251
On city property \$50,593,035.		Reserve for All Other Liabilities	997,032
Real Estate	6,251,889	This includes our seventeen story Home Office Building.	
Loans to Our Policyholders	11,957,245	Liabilities	\$116,246,325
Secured by the cash values of policies.		Contingency Reserve	\$2,000,000
Premium Loans and Liens	2,816,123	A fund for contingencies, depreciation on real estate and investment fluctuations.	
Secured by the cash values of policies.		Capital	4,000,000
Investment Income in Course of Collection	999,902	Surplus Unassigned	6,000,000
Premiums in Course of Collection	3,034,321	Total Surplus Funds for Additional Protection of Policyholders	12,000,000
All Other Assets	190,442	Total	\$128,246,325
Total Admitted Assets	\$128,246,325		

TO THE PUBLIC: The Jefferson Standard presents to policyholders and friends its annual report, which reflects outstandingly successful achievement along all lines. President Julian Price, in his annual message to those insured in the Company, points out several important facts relating to its service, growth and strong financial position. Facts in brief are given here. The detailed annual report booklet is available upon request.

INTEREST EARNING MAINTAINED

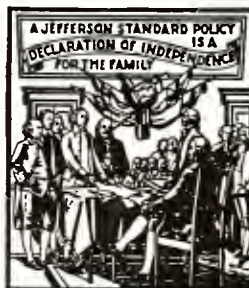
★ The gross rate of interest earned on invested assets for 1943 was 5.23%. Jefferson Standard maintains its national leadership in this field.

INTEREST PAYMENT MAINTAINED

★ In 1943, as in every year since organization, 8% interest was paid on funds held in trust for policyholders and beneficiaries.

ASSETS SHOW INCREASE

★ Assets now total \$128,246,325—an increase of \$13,230,309. For each \$100 of liabilities there are \$110.32 of assets indicating an unusually strong financial position.



BENEFITS PAID

★ The Company paid policyholders and beneficiaries \$6,305,910 in policy benefits during 1943. Total benefits paid since 1907—\$137,771,775.

SURPLUS FUNDS INCREASED

★ Surplus, capital and contingency reserves total \$12,000,000. This is \$23.88 surplus for each \$1000 insurance in force—an exceedingly high surplus ratio.

SPLENDID INVESTMENT RECORD

★ Less than \$25,000 interest is past due on Mortgage Loan Investments of \$57,342,910. Only one-half million dollars is owned in foreclosed real estate.

INSURANCE IN FORCE

★ Jefferson Standard's 200,000 policyholders now own \$502,533,041 life insurance. The Company has very proudly announced having over a half-billion dollars life insurance in force. This was a gain of \$32,202,404 for the year.

JOHN W. UMSTEAD, Jr., Manager

136 East Franklin Street, Chapel Hill

JEFFERSON STANDARD

LIFE INSURANCE COMPANY

Julian Price PRESIDENT • GREENSBORO, NORTH CAROLINA

