9. That all vehicles that are used very little have older tires on them and that the newer tires be used on vehicles that are more in use.
10. That proper-sized tires be mounted on proper-sized rims.
11. That each garage, if possible, be supplied two tires of a size that are of same over-all diameter, so that as replacement is needed on one dual tire both can be removed and returned and the matched spare tires applied.

As we see this entire problem of tire conservation, its functions divide themselves into two parts:
1. The establishing and performing of the proper functions and procedures of tire maintenance.
2. Constant checking and vigilance to see that such functional tire maintenance and procedure is being performed properly and adequately.

You can establish the best routine and procedure of tire maintenance possible on paper or in theory; but if it is not actually put in operation and applied practically, it is not effective. It is this weakness that we correct with our tire consultant service. The many operators that have purchased our service are a testimonial to the need of such a service, and what our consultants find in their analysis proves we can help them conserve their rubber.

YOUR DUTIES AND AUTHORITIES

Otto K. Jensen, State Examiner,
State Board of Accounts of Indiana

During this year and until the war is won, all of this nation’s efforts can have but one paramount purpose. The influence of this war is reflected in our every action and our every thought, and you and every other patriotic citizen should have one chief consideration, how you can best serve to bring this conflict to a victorious conclusion. In whatever I have to say on the general subject of “Your Duties and Authorities,” it must be understood that any remarks that do not immediately concern the war effort must be construed as subservient to that end, if there be any conflict of interpretation.

It is my thought that a discussion of your duties must of necessity be a discussion of some of your problems. For with any imposed duties, there are always problems connected. And I might say further that a discussion of your authorities could be nothing further than pointing out and discussing those authorities which are given to you in the acts of the general assembly of our state. We are, of course, not all so fortunate
as still to possess the vigor and vitality of youth, and our field of greatest usefulness cannot be that of front-line duty in actual combat. In another sense we do find, however, that on the home front the maintenance of the highways in the highest state of repair, as a part of our vital lines of communication, is one of the greatest services that can be rendered.

We must realize that the war has brought us new and distinct duties and problems with which we have not hitherto been faced. It is now more important than ever before to keep our streets and highways open and to maintain our internal lines of communication. Yet we are faced with a situation in which labor, materials, and supplies are difficult if not impossible to obtain. You men are now placed upon your mettle. You are facing a critical test, and I am certain that you will not be found wanting.

**GENERAL DUTIES**

While the duties and functions of these three groups (county surveyors, road supervisors and city engineers) generally are almost identical, yet the method of their selection and the authority for their choice, as you know, comes from entirely different sources. But although the authority for their official being does come from separate sources, it should always be kept in mind that they are indeed alike in this respect—all are public servants and should devote themselves with this thought in mind.

You are all aware that the office of county surveyor is an elective office. Authority for his office springs from the State Constitution and he is known as one of the Constitutional officers of the county. It is provided in Article 6, paragraph 2 of the Indiana Constitution that a county surveyor be elected each two years and that he shall serve for a term of two years.

On the other hand highway supervisors (who are not the county surveyor) and city engineers derive their office through the appointive power, in the one case, of the Boards of County Commissioners and, in the latter, of the respective mayors. The source of authority for each of these three groups has a direct bearing upon their duties. And while in the case of each, certain legal restrictions may limit their authority, yet in the case of the duly elected officer especially, he is bound by certain legal provisions which are specifically granted in our laws. He has no discretion in his official actions except as given by the statutes and it should be remembered that if the law does not grant him specific authority, then he cannot go beyond these statutory grants. The mere fact that the statutes may not say that he cannot do a certain thing, is not authority for doing it. Of course, the same is true of the other groups; but in their case, the legal limits of their duties are often
previously determined, outlined, or decided by the legal counsel of the county or the city.

One of the first duties of practically every official is to provide a proper bond as fixed by law. In the case of the county surveyor such bond shall be conditioned for the faithful discharge of all duties required of such surveyor, and also all duties required of him as a civil engineer in the work of the county, including the preparation of plans and specifications of all bridges, turnpikes, roads, ditches, drains, levees, and all other civil engineering work which may be done by order of the county commissioners.

The acts of 1933 set out that the county surveyor shall investigate and determine the method of highway maintenance best adapted to the various highways of the county under his supervision and shall establish standards for the maintenance of bridges, culverts, highways, etc., giving due regard to the financial ability of the county to pay the cost of such repairs.

The acts of 1933 also make provision for either the county surveyor to be the county highway supervisor or for the selection of an entirely different person to serve in this capacity. These acts say in part that "except as hereinafter otherwise provided the county surveyor shall have general charge of the repair and maintenance of the county highways in each county." The "otherwise provided" clause in this act states that "the board of county commissioners of any county of the state shall have the right to employ any person other than the county surveyor as supervisor of the county highways, such person to be known as the county highway supervisor who is to serve at the will of the board of county commissioners."

**VICTORY TAX**

The department which I represent is being daily confronted with difficulties in adapting the necessary records and systems of accounting to the new and changing conditions. One of the current problems confronting us is the handling of the Victory Tax in the various governmental units. The Revenue Act of 1942 requires the withholding of such tax from all salaries and wages, beginning January 1, 1943, and it applies to the state and all its political subdivisions. The paying official in each unit is the withholding agent and is responsible to the Collector of Internal Revenue for the proper accounting of all tax withheld. This being something added to our present accounting system, it was necessary for some provision to be made for a uniform procedure in accounting for this tax with as few changes as possible in our present systems. To do this, our department has revised some forms and in some instances found it necessary to prescribe new ones. General instructions, copies of each form, and explanation of
the use of each have been placed in the hands of the officials of all units of the state.

This tax withholding will add work to all offices and also will be an added expense to all units in its administration. The withholding official in all units will need the assistance of all departments and officers in properly administering the withholding requirements.

You as city and county engineers, surveyors, and highway supervisors can aid in this by the proper preparation of salary vouchers and pay rolls, and for this reason you should acquaint yourselves with the requirements of the law, method of procedure, and computation of tax.

There is a difference between being subject to tax and being subject to the withholding. All income of every individual is subject to tax, with the exception of a non-resident alien, but not all individuals are subjected to the withholding feature of the law because of certain conditions and methods of payment. To be exempt from withholding does not mean that the employee is evading the tax. At the close of the year the individual files a return with the Collector of Internal Revenue, declares all of his income, and is allowed an exemption of $624 and a deduction of all expense necessary in earning the income so declared. He pays 5% tax on the net income.

The new forms prescribed provide for deductions other than victory tax, because of our anticipation of other withholding deductions, such as income tax, social security, etc., which no doubt will come in the near future. The new salary claims for cities and towns and counties provide for tax deductions and net pay. When salary claims are filed with the paying official by any department, the prescribed form of schedule of such vouchers should accompany such claims, showing the accumulated amount of tax to be deducted. This provides the paying official with the amount of tax to be set aside for that pay period.

Pay rolls for county highway departments have been prescribed, providing for deductions and net pay. These pay rolls will be prepared in the usual manner except that tax deductions will be made and expense will be distributed to the various appropriations chargeable. The form has been further revised to eliminate the purchase of materials and rental of equipment. Also, the form provides for the issuing of individual warrants to each employee.

TAX ON FREIGHT

In connection with new Federal taxes, I might also call your attention to the Revenue Act of 1942 which imposes a new tax on the transportation of property. The rate is 3% of the transportation charge on all freight except coal and 4c per short ton on coal. The Commissioner of Internal Revenue
has ruled that this section does not apply to state and local
governments if the transportation charges are paid by the
state or local government directly to the carrier. The munici­
pality need not file an exemption certificate but can simply
refuse to pay the tax. When, however, the shipper pays the
transportation charges on property shipped to the munici­
pality, he is liable for the tax even though he is reimbursed
for the charges by the municipality, and the municipality may
obtain no refund.

SPECIFICATIONS AND MATERIAL

Among the important duties of an engineer, surveyor, or
supervisor is the maintenance of highways and bridges. The
initial step in this important work is drawing the specifica­
tions for the materials. It is suggested that these be so drawn
as to indicate, to some extent at least, the kind of work con­
templated in the use of the materials. Loose or indefinite
specifications should be avoided as well as anything which
might tend to confuse the bidders. We have seen invita­
tions to bidders which called for bids on "grade A pit-run
gravel" and again for "crushed pit-run gravel." Not being
an engineer, I am not familiar with such terms, but reference
to the state highway and other specifications does not disclose
any mention of "crushed pit-run gravel."

It occurs to me that when "pit-run" or "bank" gravel is to
be used, you could strengthen your specifications by requiring
that the material meet a screen test which would exclude an
excessive proportion of sand and dirt and the larger stones
or boulders. It has also come under our observation that
specifications are frequently drawn calling for "Grade A"
crushed stone and crushed gravel in instances where the ma­
terial actually needed could be procured under a specification
less stringent in its requirements. We have also found cases
where the higher type materials have been specified but in­
ferior grades have been substituted. It is therefore most
important that you endeavor to specify the exact material
best suited to your particular needs and then insist upon the
delivery of that material.

Another point to which I would direct your attention is that
it violates the law to write a specification which would admit
only the material of a particular producer. Your specifica­
tions must be so drawn as to admit free and open competition,
and you should acquaint yourself with the facilities of the
prospective bidders in your county to furnish the kind of
material that is needed for your purposes.

Another matter that I wish to call to your attention is the
inspection and checking of the materials at the time they are
shipped in or become available for the work. I realize that
all counties are not fully equipped for complete testing, but
all can make such preliminary examinations and tests as will warrant either the acceptance of the material or require further laboratory tests, which can be made available through the State Highway Department.

The reports of our examiners reveal that in the past very little attention has been given to the proper checking of these materials, and this is particularly true of bituminous materials which are loaded while heated. As you know, the basis for the measurement of heated bituminous material is 60 degrees F., and the payment for the material is based on the number of gallons at this temperature. Our examiners have found that, in many cases, tank cars, trucks, and distributors, which were loaded with materials at temperatures up to 200 degrees F., have been invoiced and paid for at the gallonage capacity of the container in which they were loaded. This of course means that the county has paid in excess of what they should have paid if the material was properly billed on the basis of 60 degrees F. The volume of these materials increases as the temperature is increased.

I would suggest that in every instance you insist that each shipment, by either tank car, truck, or distributor, be accompanied with a certificate from the refinery showing the number of gallons in the container at the temperature of the material at the time it was loaded into such container. If this is done, your commissioners and your county auditors can apply the formula provided in the State Highway specifications for reducing the volume of this material to 60 degrees F. and determine the correct amount of the billing. This procedure will result in saving a considerable amount to the county.

DIVERSION

One of the matters to which I attach the greatest importance and to which I believe each of you should give grave thought is the subject of the diversion of funds made available by law for a particular purpose to some other purpose entirely foreign to that specified in the statutes. This particular subject has been made a topic of paramount importance in the report of the Indiana Highway Study Commission which was made to Governor Henry F. Schricker and the present General Assembly now in session, under date of November 15, 1942.

From this report I quote: "In the past, motor vehicle taxes have been the great revenue producers in Indiana. Because these revenues have been so large, they have been diverted from highways to other purposes in many cases. There has been a marked tendency to meet more and more obligations in this manner. Many students of government contend that in normal times a certain amount of diversion is justifiable because of the burdens imposed on government by the
use of the motor vehicle. Millions of dollars have been so
diverted in Indiana but it must be admitted that in comparison
with what has been done in other states, the amount of diver­sion in Indiana has been small. . . . The members of the Com­mission are in complete accord that under present conditions
and those which will obtain throughout the emergency and
perhaps for some time thereafter, all diversion should be
stopped. Otherwise, it is extremely doubtful if the revenues
yielded by these taxes will be sufficient to maintain, repair,
and reconstruct the roads and streets of the state and at the
same time defray the cost of such emergency new construc­tion as cannot be reasonably deferred.” I quote you this to
emphasize that this matter has been given serious thought and
consideration and to show you what you may be confronted
with during your term of office. Now, for your information I
would cite you sections 4 and 5 of the Acts of 1941, page 521.

SECTION 4—FUNDS ALLOCATED TO COUNTIES

The funds allocated to the respective counties of the state
from the motor-vehicle highway account shall annually be
budgeted as provided by law. When distributed they shall be
used for:

1. Construction.
2. Reconstruction.

Any surplus existing in the funds at the end of the year
shall thereafter continue as a part of the highway funds and
shall be rebudgeted and used as already provided. A further
breakdown of the items just mentioned as outlined for counties
by the section states that there shall be paid out of the high­way account:

1. Purchases, rental, and repair of highway equipment.
2. Painting bridges.
3. Acquisition of grounds for erection and construction of
   storage buildings.
4. Acquisition of rights-of-way.
5. Purchase of fuel oil and supplies necessary to the per­
   formance of construction, reconstruction, and mainte­
   nance of highways.

SECTION 5—FUNDS ALLOCATED TO CITIES

All funds allocated to cities and towns from the motor-
vehicle highway account shall be used by said cities and towns
for the construction, reconstruction, repair, and maintenance
of all their highways, including curbs, and shall be budgeted
according to law. Details of such use include:

1. Purchase, erection, operation, and maintenance of traffic
   signs and signals and safety zones and devices.
2. Payment of any part of the cost of traffic policing and traffic safety.
3. Painting of structures, objects, and surfaces in highways for purposes of safety and traffic regulation.
4. The oiling, sprinkling, and cleaning of such highways.
5. The purchase, rental, and repair of street and highway equipment.
6. In some instances, the city's share of the cost of grade separation.

**Economy in the War Effort**

Here I would like to repeat statements which I have previously made to groups of public officials with reference to economy as a part of the war effort. We all know that it is a matter of common thrift to care for what we already have. And the war has brought forcibly to us that this is now not only a matter of thrift but of dire necessity. I refer mainly to the care of equipment used in road work, including all types of motor vehicles, office equipment, and also supplies. The absolute inability to obtain new equipment and many types of supplies presents a number of problems, of which I mention these:

1. Tires must be saved because of tire shortage.
2. Automotive equipment must be handled in such a way that sufficient cars will be available and a reserve established.
3. Road equipment must at all times be kept in a serviceable condition.

As a possible solution to these problems I might suggest:

1. Rigid control over the use of motor vehicles with every effort to curtail mileage.
2. Proper housing of equipment at all times.
3. Regular and frequent inspection and servicing of equipment.
4. An immediate and complete inventory of all equipment and stocks, if one is not already complete.

**Conclusion**

As public officials you are all facing a period of manifest uncertainty and it is incumbent upon each of you to proceed with the utmost caution. Conditions exist, or are likely to exist, over which you have no control but which nevertheless vitally concern the welfare of our people. Many times you will be confronted with some action in which the apparent good of your community conflicts with the authority you possess under the law. In all such cases the best advice that I feel I can offer is to stay within the law.