

Confidential corres re GRLA Units 2-12

DECLASSIFIED
Authority NND 883078

~~CONFIDENTIAL~~

CONFIDENTIAL CORRES RE GRLA UNITS

2 - 12

DOWNGRADED AT 3-YEAR INTERVALS
DECLASSIFIED AFTER 12 YEARS
DOD DIR 5200.10

~~CONFIDENTIAL~~

DECLASSIFIED
Authority NND 883078

~~CONFIDENTIAL~~ CORRESPONDENCE

Date	File#	Title
11 July 46	1	Escudero Unit Details
	2	Magirog Guerrilla Unit
28 May 46	3	Fraudulent disbursement by 26th FINANCE DISBURSING UNIT

~~CONFIDENTIAL~~

Check Sheet
HEADQUARTERS AFWESPAC
AG-Recovered Personnel Division

Do not remove from attached sheets

File No. GSXRP

Subject:

FR: Chief, PA Branch

TO: Director, RPD

DATE: 13 Dec 46

For your information. Request return to this branch for file.

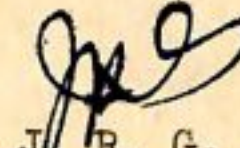

J. R. G.

(4) FROM: Chief, PA Branch

TO: OIC, Oper Sec

DATE: 21 Dec 46

The policy contained in the attached correspondence from G-3 AFWESPAC on the subject of irregularities in payment of terminal date guerrillas is forwarded for your information and guidance.


J. R. G.

DOWNGRADED AT 3-YEAR INTERVALS
DECLASSIFIED AFTER 12 YEARS
DOD DIR 5200.10

~~CONFIDENTIAL~~

DECLASSIFIED
Authority NND 883078

(4) FROM: Chief, PA Branch TO: OIC, Oper Sec DATE: 21 Dec 46

The policy contained in the attached correspondence from G-3 AFWESPAC on the subject of irregularities in payment of terminal date guerrillas is forwarded for your information and guidance.

J. R. G.

DECLASSIFIED
Authority NNJ 883078

C O P Y

~~CONFIDENTIAL~~

HEADQUARTERS AFWESPAC
Check Sheet

Do not remove from attached sheets

SFF/hq
Tel: 149 & 152

FILE NO. GSCP 091 SUBJECT: Payment of the Miguel Ver Regiment.

(2) FROM: G-3 (PA Div) TO: AG (Rec Pers Div) 9 December 46

1. The policy with respect to challenge of rosters by individuals is that the commanding officers of guerrilla units are held accountable for preparation and presentation for recognition of accurate, just, and complete rosters.

2. It is the opinion of this section that on complaint letters of this type, which do not give positive proof that the accused personnel are in fact undeserving, no action should be taken.

3. If at a future date positive proof be presented to show that certain personnel are undeserving of their guerrilla recognition, the Chief of Staff, Philippine Army, should take appropriate action.

4. In view of the fact that the roster of the Miguel Ver Regiment was presented by the acknowledged guerrilla leader thereof and was accepted and recognized in good faith by this headquarters, it is considered that complaints of this nature should therefore go to the Chief of Staff, Philippine Army.

5. It is recommended, therefore, that payment of the Miguel Ver Regiment be resumed.

6. Inclosed is a copy of the letter to the Chief of Staff, PA, submitting this policy.

1 Incl:
Withdrawn 1 Incl - #1
2- Copy of Ltr to CofS, PA

/s/ E. J. McGAW
/t/ E. J. McGAW
Brig Gen, GSC
G-3

DOWNGRADED AT 3-YEAR INTERVALS
DECLASSIFIED AFTER 12 YEARS
DOD DIR 5200.10

DECLASSIFIED
Authority NND 883078

C O P Y

HEADQUARTERS AFWESPAC
Check Sheet

Do not remove from attached sheets

FILE NO. GSXRF

SUBJECT:

(1) FROM: Rec Pers Div

TO: G-3 Guerrilla
Affairs Branch

DATE: 27 Nov 46

1. On 26 Nov 46, Domingo Alvarez appeared at the Terminal Date Team located in this area and stated in substance that injustices were being done to members of the Miguel Ver Regiment of ROTC Hunters Guerrillas now being paid by this division, and requested that he be allowed to furnish certain information in connection therewith. Accordingly the attached affidavit was secured.

2. The payment of arrears in pay for all members of this unit mentioned in the attached affidavit will be suspended pending clearance from your office in this matter.

/s/ J. R. Gilbert
/t/ J. R. GILBERT
Lt Col AGD
Asst Adj Gen

1 Incl - Affidavit of Domingo Alvarez.

DECLASSIFIED
Authority NND 883078

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC
OFFICE OF THE COMMANDING GENERAL

APO 707

GSCP 091 PI

SUBJECT: Complaints against Guerrilla Rosters.

TO : Chief of Staff, Philippine Army, Camp Murphy, Quezon City.

1. Frequent complaint letters are received in this headquarters alleging irregularities in guerrilla rosters. These complaints cite, for example, allegations of collaboration, non-participation in the guerrilla movement, and nepotism. Where the complaint is received prior to decision upon a claimant unit, it is our policy to take fitting action. However, in many cases the statement of grievances is received subsequent to the recognition of the unit.

2. It is considered that appropriate action upon complaints made against a recognized guerrilla unit should be undertaken by your headquarters. This consideration is based upon the fact that the allegations, which attack the honor of the commanding officer and challenge the rights of individuals to military status in the Philippine Army, and, frequently, alleging treasonous activities, should be examined as a matter of vital concern to Philippine military and public morale. If your subsequent investigation compels such action, proper recommendations should proceed to this headquarters -- e.g., for cancellation of recognition for unworthy individuals.

3. As an illustrative example of a complaint against a recognized unit, there is inclosed the affidavit of one Domingo Alvarez, alleging irregularities in the recognized roster of the Miguel Ver Regiment, Hunter's ROTC Guerrillas. This roster was accepted in good faith from the commanding officer thereof, a guerrilla leader of reputation. It is believed that action in this matter should be taken by your headquarters as the one most competent to investigate these charges. Payment, temporarily suspended by the Recovered Personnel Division upon receipt of this complaint, has been ordered resumed in order to relieve the hardship on those unaccused and to avoid evidence of the acceptance of unproved allegations against those named.

4. To summarize, it is proposed to continue the policy of putting full faith and credence in the integrity of the commanding officers of claimant guerrilla units, making such investigation of grievances prior to recognition as are practicable, and considering that complaints sub-

DOWNGRADED AT 3-YEAR INTERVALS
DECLASSIFIED AFTER 12 YEARS
DOD DIR 5200.10

DECLASSIFIED
Authority NND 883078

~~CONFIDENTIAL~~

~~C O N F I D E N T I A L~~

BASIC: Ltr fr HQ AFWESPAC, GSCP 091 PI, subj: "Complaints against Guerrilla Rosters," to CofS, PA, Continued

sequent to recognition will be examined by your headquarters. In pursuance of this policy, complaints received after recognition of a unit will be forwarded to your headquarters for necessary action.

5. This communication is classified CONFIDENTIAL because of the nature of the inclosed affidavit.

FOR THE COMMANDING GENERAL:

1 Incl:

1 - Affidavit of Domingo
Alvarez, dtd 27 Nov 46

COMMUNICATION PERTAINING TO

26th Finance Disbursing Unit

DECLASSIFIED
Authority NND 883078

HEADQUARTERS

UNITED STATES ARMY FORCES WESTERN PACIFIC
OFFICE OF THE COMMANDING GENERAL

APC 707
28 May 46

Honorable Paul V. McNutt
American High Commissioner to the Philippines
Manila

Dear Commissioner McNutt:

Fraudulent disbursements of approximately \$200,000 by the 26th Finance Disbursing Unit, Philippine Army, have been discovered recently. These fraudulent disbursements have been made from a United States appropriation entitled "Expenses, Army of the Philippines."

In the demobilization of the Philippine Army most of those perpetrating the fraud have been separated from the service and are no longer under military jurisdiction. Therefore, measures to recover fraudulent payments and to punish the majority of those found guilty of the crime, must be initiated through civil law enforcement agencies of the Philippines.

Military personnel involved in the fraud will be investigated by army agencies and brought to trial before courts martial.

For your further information in reference to this matter, there is attached a copy of a directive issued to the Chief of Staff, Philippine Army.

It is requested that you make representations to the Philippine Government with a view to causing that government to:

- a. Initiate immediately a separate investigation of this fraud.
- b. Take immediate action to recover funds fraudulently disbursed.
- c. Bring to trial before appropriate courts those connected with the fraud who are not now in the military service.

~~CONFIDENTIAL~~

1
DOWNGRADED AT 3-YEAR INTERVALS
DECLASSIFIED AFTER 12 YEARS
DOD DIR 5200.10

DECLASSIFIED
Authority NND 883078

CONFIDENTIAL

My headquarters will assist the Philippine Government as far as practicable in this matter and will make available to that government all pertinent information now in possession of the United States Army.

Your assistance in obtaining prompt action in this matter will be very much appreciated.

Sincerely,

W. D. STYER
1 Incl
Letter to Chief of Staff, Philippine Army
Philippine Army

W. D. STYER
Lieutenant General, U. S. Army
Commanding

Your attention is directed to a memorandum subject, "Women's...
on disturbing activities in Manila" dated 21 May 1946 covering...
made by the 25th Finance Disbursing Unit, Philippine Army, at Manila
prepared by Major E. Arabele, Finance Department, Office Fiscal Director
this headquarters, attached as Inclosure 1. Attached as Inclosure 2 is
an anonymous letter dated 6 May 1946 addressed to Headquarters Philip-
pine Army and signed "A Technical Sergeant." Inclosure 3 was
submitted to the Fiscal Director, AFPMSPAC, 22 May 1946 by Mr. Salvador
Sevilla of the Office of Special Investigation Division, Commonwealth of
the Philippines, whose home address is 1038 Vergara, Quiapo, Manila. Mr.
Sevilla is designated as Special Investigator No. 144. He can identify
the author of the anonymous letter attached as Inclosure 2. Mr. Sevilla
stated that he saw Sgt. Ricardo Injan, Philippine Army, now located in
Mindanao, Residential Negros, preparing fraudulent vouchers and stated
that the whereabouts of Injan can be established by one Antonio Siguanon,
32 Talavera Street, Manila.

Investigation by this headquarters has established the fact that
large sum vouchers totalling approximately P200,000 have been cashed by
the 25th Finance Disbursing Unit, Philippine Army, from funds made avail-
able to that unit from the United States appropriation "Expenses, Army of
the Philippines."

You are directed to take the following action immediately:

1. Order your Inspector General to investigate payments on
large vouchers by the 25th Disbursing Unit at Manila.

2. Direct the Inspecting Team to report to the Fiscal Director,
AFPMSPAC for instructions prior to departure for Manila.

3. Initiate complete audit of the accounts of the 25th Finance
Disbursing Unit.

4. Initiate steps to recover funds disbursed on fraudulent
vouchers.

~~CONFIDENTIAL~~

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC
OFFICE OF THE COMMANDING GENERAL

APO 707

29 May 1946

GSCP It is desired that you following the receipt of this
report as quickly as possible. Upon completion of the necessary work you
will turn over to the Fiscal Director, AFWESPAC all abstracts containing
SUBJECT: Fraudulent disbursements by the 26th Finance Disbursing Unit (PA)

TO : Chief of Staff, Philippine Army, APO 75

1. Your attention is directed to a memorandum subject, "Comments on disbursing activities in Iloilo" dated 21 May 1946 covering disbursements by the 26th Finance Disbursing Unit, Philippine Army, at Iloilo prepared by Major D. Arnolds, Finance Department, Office Fiscal Director this headquarters, attached as inclosure 1. Attached as inclosure 2 is an anonymous letter dated 8 May 1946 addressed to Headquarters Philippine Army and others signed "A Technical Sergeant." Inclosure 2 was submitted to the Fiscal Director, AFWESPAC, 22 May 1946 by Mr. Salvador Sevilla of the Office of Special Investigation Division, Commonwealth of the Philippines, whose home address is 1038 Vergara, Quiapo, Manila. Mr. Sevilla is designated as Special Investigator No. 144. He can identify the author of the anonymous letter attached as inclosure 2. Mr. Sevilla stated that he saw Sgt. Eduardo Lujan, Philippine Army, now located in Hinigaran, Occidental Negros, preparing fraudulent vouchers and stated that the whereabouts of Lujan can be established by one Antonio Siguenzo, 52 Valoria Street, Iloilo.

2. Investigation by this headquarters has established the fact that forged pay vouchers totalling approximately \$200,000 have been cashed by the 26th Finance Disbursing Unit, Philippine Army, from funds made available to that unit from the United States appropriation "Expenses, Army of the Philippines."

3. You are directed to take the following action immediately:

a. Cause your Inspector General to investigate payments on forged vouchers by the 26th Disbursing Unit at Iloilo.

b. Direct the Inspecting Team to report to the Fiscal Director, AFWESPAC for instruction prior to departure for Iloilo.

c. Initiate complete audit of the accounts of the 26th Finance Disbursing Unit.

d. Initiate steps to recover funds disbursed on fraudulent vouchers.

~~CONFIDENTIAL~~

DOWNGRADED AT 3-YEAR INTERVALS
DECLASSIFIED AFTER 12 YEARS
DOD DIR 5200.10

DECLASSIFIED
Authority NND 883078

BASIC: Ltr fr Hqs AFWESPAC to Cofs PA, subj: "Fraudulent disbursements by the 26th Finance Disbursing Unit (PA)"

e. It is desired that you determine the responsibility for this fraud as quickly as possible. Upon completion of the necessary audit you will turn over to the Fiscal Director, AFWESPAC all abstracts containing fraudulent vouchers.

f. You will acknowledge receipt of this communication by indorsement hereon, reporting therein action taken by you in compliance with this directive and listing the names of the personnel detailed to accomplish the necessary investigation and audit. In addition to the report by indorsement hereon, a detailed periodic progress report will be submitted to this headquarters at ten-day intervals beginning 3 June 1946.

4. It is desired that you give this matter your personal attention and that vigorous action be taken to insure prompt and effective compliance with this directive.

BY COMMAND OF LIEUTENANT GENERAL STYER:

2 Incls
As stated herein

/s/ Thomas J. Brown
/t/ THOMAS J. BROWN
CWO USA
Asst Adj Gen

DECLASSIFIED
Authority NND 883078

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC
OFFICE OF THE FISCAL DIRECTOR

AFO 707
21 May 1946

MEMORANDUM: Comments on Disbursing Activities in Iloilo

Within the last week, erroneous payments totalling over $\$200,000.00$ have been discovered in the accounts of Captain Villanueva in Iloilo.

These erroneous payments came to light due to information received by Major Francisco from the Iloilo Chief of Police and Chief of Secret Service. The culprits apparently got specimen signatures of all the officers whose signatures were needed to make a voucher valid. They had mimeographed voucher forms prepared for both Enlisted Men and Officers Pay, forged the signatures needed and presented them for payment. An examination of the genuine and fraudulent signatures seem to indicate that they were forged by someone quite skilled in forgery. Six culprits have been apprehended by the local authorities and from them they are trying to find out how many people were involved and who received the bulk of the money. It was the practice of the local disbursing officer to turn funds for payrolls over to a Class "A" or Class "B" Agent Finance Officer. This agent officer would not make payments himself but would turn the money over to the Company Commander who would pay the men and then return the paid voucher to the Agent Officer. I suggested to the officers now on duty that they make immediate investigation of the Company Commanders to see if the money was given to the individuals whose names were placed on the payrolls. Inasmuch as the majority of the names mentioned on the payrolls cannot be found on any roster of troops, it is quite possible that the funds were misappropriated in bulk lots and not given to all the individuals whose names were fraudulently placed on the vouchers. Major Francisco was informed that as soon as he separates all of the fraudulent vouchers from the valid ones, to supply this office with a list of them by abstract and voucher numbers.

On the robbery of funds from the disbursing office which took place within the last month, five of the criminals are now in the local jails. The head of the gang is now supposed to be in Negros and information presently obtained by Major Francisco personally should lead to his early apprehension.

There are many officers who apparently have committed frauds against the Commonwealth of the Philippines in connection with the payment on the fraudulent vouchers. However, it is doubtful that very many, if any of them, will be punished for their crimes, as it is the policy of Philippine Army to discharge these men even though it is evident that in a lot of cases court martial charges should be preferred against them. It is suggested that this office take necessary action, contact Lieutenant General Styer's Office and make it mandatory that where fraud is suspected that prompt action be taken to prepare charges against the officers involved and try them at once. The Regional Finance Officer of the southern islands has requested Headquarters, Philippine Army to relieve Captain Villanueva from disbursing duties. Major Francisco who seems to be a very aggressive type of finance officer will be a definite improvement in the personnel of that section. However, this man will be discharged in the near future. Major Francisco also had complete charge of all emergency currencies in that section and claims he has accurate personal records of the finance activities occurring during that period. During 1941 and 1942 there were no funds available for him to make disbursements. Consequently, the local Philippine National Bank was ordered to advance funds for the use of the Guerrillas. This advance was drawn on by check for the purchase of equipment and supplies. The Bank is not at the present time cashing any checks which are being presented to them and are presenting a claim against the government of the United States for all monies advanced and paid out.

About two months ago an agent officer was assaulted by two other officers, upon leaving his quarters, and claimed that approximately \$9,000.00 was stolen. Investigation by the secret service and statements by witnesses of the dispute seems to definitely prove that the affair was only a personal fight and that no robbery was committed. In this case it was reported that the agent officer is no longer available and his present whereabouts have not been determined. The regional fiscal officer is requesting that the finance officer be held pecuniarily liable in this case as he turned the money over to a man who was not legally bonded, or appointed as a Class "A" Agent Officer.

As in other parts of the islands all Finance Officers are being threatened with bodily harm for refusing to make certain payments.

/s/ D. Arnolds
/t/ D. ARNOLDS
Major, Finance Dept.

Headquarters, Philippine Army
Pres. Manuel A. Roxas
Sec. National Defense
Attorney General
Commanding General, AFWESPAC
Dear Sir:

City of Iloilo
May 8, 1946

I was a technical sergeant of Philippine Army. While we ex-soldiers who rendered service during the dark days and had suffered great difficulties in resisting the unholy Japs have not yet received any single centavo as back pay, many civilians have draw thousands and thousands of pesos from the 26th Finance Officers in Iloilo City by means of forged payrolls and vouchers. Many civilians have become rich while the soldiers, some of whom had been wounded, are still and hungry.

Many soldiers, enlisted men and officers whose names appear on the differential payrolls, current pay payrolls and vouchers as having received the supposed to be their current pay, or differential pay, did not really receive the money. Some thieves and robbers, whose business are to gather names and serial numbers of soldiers and then prepare payrolls or vouchers out of those names and serial numbers were the ones benefited by the money under the care of the 26th Finance Officers. Hundreds and hundreds of soldiers whose names appear on the differential payrolls, or current payrolls or vouchers as having received their money from July 1 to December, 1945 did not in reality get the money. Some crooks prepared the payrolls and vouchers of those soldiers, signed for them, engaged a man who can imitate the signatures of the officers whose signatures are necessary to get the money and then submit the payrolls or vouchers to the Finance Officers and then draw the money.

Very many of those soldiers whose names appear on the payroll are no longer entitled to differential pay because they were processed and reverted before July 1, 1945.

Comes the arrears in pay. To get the money, it is necessary to have forms for that purpose from the Finance Officers and sometimes not at all, depending upon the instructions of the 26th Finance Officers who are in connivance with the crooks whose ambition is to get rich overnight would gather names of those officers who have been reverted a long time ago to civilian status and they would prepare vouchers for them. The crooks would sign for those innocent officers and for all officers whose signatures are necessary to get the money. The worst part of this anomalous transaction is that the 26th Finance Officers have team work with the wicked men who are preparing the payrolls or vouchers. The 26th Finance Officers in these illegal transactions are to see to it that the signatures of officers responsible for payment are carefully imitated. The Finance Officers always get one-half of the amount appearing on the pay roll or vouchers.

The following persons, all of Iloilo, have made fortunes because of those wicked transactions: Antonio (Toning) Fernandez, Quenson Street; Andrea Peggson, Quenson St.; Ramon Macote, Mabini St.; Rubin Pototan, Iloilo and Boy Vicente, Quenson St. Doubtless, the names of Lts. Gensale, Ganes, Marfil, Gans, and very many others, appear on the vouchers as having drawn their arrears in pay from January to March, 1945, but the fact is that, these names are either or imaginary or existing, and if they do exist, they do not know anything about that they were victims of fool and foul play. Juan Penabert, Antonio (Toning) Fernandez, Bernardo Miralles, Rubin Villarias and Boy Vicente were responsible for drawing the amount under forged and faked vouchers with the cooperation of crooked 26th Finance Officers and are probably responsible for drawing the vouchers supposed to have drawn by Gensale, Ganes, Marfil, Gans, and many others. With the arrest of the above persons, many things will come to light. It would be safe if we can jail because their act is self-evident. Suggest that all impartial investigators be sent here in Iloilo, and conduct a thorough investigation and those found guilty be hanged, that is if such act is allowed by our jurisprudence. 1/2 or 1/3 of payrolls and vouchers now in the 26th Finance Officers, if the payrolls and vouchers are still here, are forged and faked and the money covered by them went fifty-fifty to the Finance Officers and outsiders who acted as agents of the 26th Finance Officers.

In justice to the real soldiers who fought and have not yet received their money, please arrest all the persons mentioned in this letter and all members of the 26th Finance Officers.

Respectfully yours,

A TECHNICAL SERGEANT

MAGIROG GUERRILLA UNIT

2

DECLASSIFIED
Authority NND 883078

~~CONFIDENTIAL~~

File

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC
OFFICE OF THE COMMANDING GENERAL

APO 707

Honorable Paul V. McNutt
American High Commissioner to the Philippines
Manila

Dear Commissioner McNutt:

About 20 March 1946, it was discovered by this headquarters that approximately half a million pesos had been paid erroneously to the Magirog guerrilla unit, a properly recognized element of the Philippine Army. Payment was made by a Philippine Army Finance Officer from funds made available from the United States appropriation known as "Expenses, Army of the Philippines."

On 16 April 1946, the Chief of Staff, Philippine Army was directed to investigate these erroneous payments and determine responsibility therefor. A copy of this directive is attached as Exhibit A. The reply of the Chief of Staff, Philippine Army with 1st Ind thereto is attached as Exhibit B. The fact that erroneous payments had been disbursed was established by my headquarters prior to issuance of the above mentioned directive to the Chief of Staff, Philippine Army. His concurrence in a finding that no erroneous payment was made is therefore not favorably considered and the matter will be reinvestigated by my headquarters to fix responsibility.

The personnel receiving the erroneous payments had already been discharged from the Philippine Army at the time of payment. Since they are no longer under military jurisdiction, action to recover must be taken through civil law enforcement agencies. In an effort to initiate action to recover, a letter was addressed to the Secretary of Finance, Commonwealth of the Philippines on 25 April 1946. A copy of this letter is attached as Exhibit C.

No formal reply has been received, but it is understood that the matter was referred to the Auditor General by the Secretary of Finance on 30 April who replied by memorandum addressed to the AFWESPAC Liaison Officer dated 10 May 1946. A copy of this memorandum is attached as Exhibit D. From this memorandum it appears that the Commonwealth Government does not plan to initiate effective measures designed to recover the subject over-payments.

DOWNGRADED AT 3-YEAR INTERVALS
DECLASSIFIED AFTER 12 YEARS
DOD DIR 5200.10

- 1 -

~~CONFIDENTIAL~~

2

DECLASSIFIED
Authority NND 883078

It is now desired to clarify this matter to interested Commonwealth officials and to initiate vigorous action to recover these erroneous payments. It is requested, therefore, that you make necessary representations to the Commonwealth Government with a view to causing that government immediately to initiate effective measures to recover the erroneous payments mentioned above.

My headquarters will cooperate fully with the Commonwealth agencies concerned by making available to them all pertinent army records.

Sincerely,

W. D. STYER
Lieutenant General, U. S. Army
Commanding

~~CONFIDENTIAL~~

DECLASSIFIED
Authority NND 883078

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC

DA/cch

GSTFL 243 (P)

AFPO 707
25 April 1946

The Secretary of Finance
Commonwealth of the Philippines
Malacanan, Manila

Dear Mr. Secretary:

Erroneous payments approximating \$500,000 apparently have been made by the Philippine Army to the Magirog Unit, Cavite United Free Guerrilla Forces. In this respect, your attention is invited to the attached copy of a letter directed to the Chief of Staff, Philippine Army.

Inasmuch as the expenditure of the funds involved cannot be charged against monies allocated by the United States for "Expenses, Army of the Philippines", it is suggested that such action as deemed necessary by your office to be taken to effect collection.

Yours truly,

1 Incl:

Ltr GSCP 243, 16 Apr 46 (Same as Exhibit A)

/s/

W. P. Moore

/t/

W. P. MOORE

Lt Col AGD

Asst Adj Gen

Exhibit B

DECLASSIFIED
Authority NND 883078

~~CONFIDENTIAL~~

HEADQUARTERS OF THE PHILIPPINE
ARMY GENERAL INVESTIGATIVE DIVISION

GSCP

1st Ind

Headquarters, United States Army Forces Western Pacific,
APO 707

TO: Chief of Staff, Philippine Army, APO 75

1. The findings and recommendations of the Philippine Army Investigating Officer attached as an inclosure to the basic letter are not favorably considered.
2. Further investigation of this matter will be conducted by this headquarters.
3. The report of investigation has been withdrawn.

BY COMMAND OF LIEUTENANT GENERAL STYER:

The letter in question was received at the Headquarters, United States Army Forces Western Pacific, on 24 February 1954. It was forwarded to the Philippine Army General Investigative Division for its consideration. The said letter was received from the Philippine Army General Investigative Division, and it was found that the same was not in accordance with the instructions given by the Headquarters, United States Army Forces Western Pacific, on 12 February 1954. It was also noted that the said letter had previous endorsement from the Philippine Army General Investigative Division, and that the same was not in accordance with the instructions given by the Headquarters, United States Army Forces Western Pacific, on 12 February 1954.

The reports were made from funds supplied direct by the Philippine Army General Investigative Division, and it is to be noted that the same were made without the intervention of the Adjutant General of the Philippines. The audit of the accounts is being made by an administrative unit, which is an Auditor, an officer, Major, in the active service of the Army P.A. and under the supervision and control of the General Investigative Office.

1/ S. S. [Name]
1/ S. S. [Name]
Acting Chief Investigative Officer

DOWNGRADED AT 3-YEAR INTERVALS
DECLASSIFIED AFTER 12 YEARS
DOD DIR 5200.10

~~CONFIDENTIAL~~

DECLASSIFIED
Authority NNTD 883078

COMMONWEALTH OF THE PHILIPPINES
GENERAL AUDITING OFFICE
MANILA

Manila, April 30, 1946

May 10, 1946

Major E. H. Baca
AFWESPAC

SUBJECT: Correspondence on overpayment made by the Philippine Army to Magiros Guerrillas of Cavite.

I have referred the papers to Capt. V. Enriquez, Representative of the Auditor General in the Philippine Army.

Inquiry made this morning has shown that a letter on the same subject was addressed by the AFWESPAC to the Chief of Staff of the Philippine Army. According to Col. Jardelesa, Chief of Finance Service, PA, the letter in question has not been referred to him, it being still with General Headquarters, PA. He understands, however, that the payments were made pursuant to authority given by the Guerrilla Affairs Section, G-1, PA; and that the said section had previous authorization given by proper officials of AFWESPAC. It would appear, therefore, that the Philippine Army made the payments in accordance with indications and authority given by AFWESPAC.

The payments were made from funds supplied direct by AFWESPAC to Philippine Army finance officers, who in turn account therefor direct also to the AFWESPAC without the intervention of the Auditor General of the Philippines. The audit of the accounts is being made by an administrative unit, under an Auditor, an officer, Major Moran, in the active service of the Army P.A. not under the supervision and control of the General Auditing Office.

/s/ G. S. Licaros
/t/ G. S. LICAROS
Acting Chief Supervising Auditor

1st Indorsement
Department of Finance
Manila, April 30, 1946

470 107
15 April 1946

Respectfully referred to the Auditor General, Manila

JAINA HERNANDEZ
Secretary of Finance

P. D. TOBIAS
Acting Chief, National Finance
Division

DECLASSIFIED
Authority NND 883078

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC
OFFICE OF THE COMMANDING GENERAL

AFPO 707
16 April 1946

OSOP 213

SUBJECT: Erroneous Payment of Guerrilla Unit

TO : Chief of Staff, Philippine Army, AFPO 75

1. It has come to the attention of this headquarters that an erroneous payment of 7500,000 apparently has been made to the Headquarters Staff, and 1st, 2nd, and 3d battalions of the Magirog Unit, Cavite United Free Guerrilla Forces.

2. Communications related to the Magirog Unit have been issued as indicated below:

a. Letter AG 304 A-2, headquarters 6th Army, dated 9 May 1945, subject: "Recognized Guerrilla Unit." Inclosure 1 is a true extract copy of this letter which established the recognition of a unit composed of 19 members of the Magirog Unit, Cavite United Free Guerrilla Forces as of 31 January 1945.

b. Letter file (164) OSXCL 382 Headquarters AFWESTPAC, dated 4 December 1945, to Chief of Staff, Philippine Army, subject: "Assignment of Units." Inclosure 2 is a true extract copy of this letter which assigns the unit referred to in sub-paragraph a above to the 66th Division Area Command.

c. Letter OSOP 091 PI Headquarters AFWESTPAC, dated 5 December 1945 to Chief of Staff, Philippine Army, subject: "Directive No. 1 Demobilization of the Philippine Army." Inclosure 3 is a true extract copy of this letter. Paragraph 3 of inclosure 1 to inclosure 3 directs the inactivation and disbandment by 31 December 1945 of the Magirog Unit mentioned in sub-paragraph a above.

d. Letter file OSOP 091 PI Headquarters AFWESTPAC dated 6 December 1945 to Commanding General, 66th Division Area Command, subject: "Demobilization of the Philippine Army." This letter, attached as inclosure 4, defines the responsibility of the Commanding General, 66th Div. Area Command with regard to the inactivation and disbandment of the Philippine Army units mentioned in inclosure 3.

e. Letter file OSOP, Headquarters AFWESTPAC, dated 6 December 1945 to Chief of Staff, Philippine Army, subject: "Recognition of Guerrilla Unit." Inclosure 5 is a true copy of this letter which recognizes the Headquarters

Staff and 1st, 2nd and 3d battalions of the Magirog Unit, Cavite United Free Guerrilla Forces with a strength of 1187 for the period from 2 February 1945 to 1 July 1945. Roster of unit originally accompanying this letter is not included. A copy of Executive Order No. 68 by the President of the Philippines is attached as inclosure 1 to inclosure 5.

f. Letter file AGO (Note Div) Headquarters Philippine Army dated 22 December 1945 to Commanding Officer, Magirog Unit, Cavite United Free Guerrilla Forces, subject: "Recognition of Guerrilla Unit." Inclosure 6 is a true copy of this letter wherein the addressee was notified that the Headquarters Staff and 1st, 2nd, and 3d battalions having a total strength of 1187, was recognized for the period 2 February 1945 to 1 July 1945, in accordance with the letter attached as inclosure 5.

g. General Order No. 290, Headquarters Philippine Army dated 31 December 1945, subject: "Inactivation and Disbandment of the Philippine Army (Guerrilla) Units". A true extract copy of this order, attached as inclosure 7, inactivated the Magirog Unit, Cavite United Free Guerrilla Forces mentioned in sub-paragraph a above and directs its disbandment at the earliest practicable date. This order does not apply to the elements of the Magirog Unit mentioned in the letter of recognition, inclosure 5, since the discharge of the latter was announced therein.

h. Letter file GUSOP 322 (6) Headquarters AFMSPAC dated 6 January 1946, to Chief of Staff, Philippine Army, subject: "Assignment of Units." Sub-paragraph 4 of this letter, a true extract copy appended as inclosure 8, attached to the 86th Division Area Command for processing for back pay and separation from the service, effective 7 January 1946, the Headquarters Staff and 1st, 2nd and 3d battalions of the Magirog Unit, Cavite United Free Guerrilla Forces. This letter specifically states that "This does not constitute a recall to active duty."

i. Inactivation Order No. 23 Headquarters 86th Infantry Division dated 6 February 1946. Paragraph 1 of this order, a true copy attached as inclosure 9, inactivates, with the effective date 7 February 1946 in accordance with inclosures 3 and 4, the Magirog Unit, Cavite United Free Guerrilla Forces mentioned in sub-paragraph a above.

j. Certificate of 1st Lt. James S. Porter PA, Guerrilla Affairs Office, 86th Infantry Division dated 27 February 1946, stating that the Cavite USM, Co. A IFA Magirog Unit was attached to the 98th Infantry Division and 11th Airborne Division on dates indicated in letters mentioned in his certificate. This certificate, a true copy attached as inclosure 10, applied only to the Magirog Unit mentioned in sub-paragraph a above.

12. Letter 4th Replacement Bn, Philippine Army dated 5 March 1946 to Adjutant General, Headquarters Philippine Army, subject: "Clarification." This letter, copy attached as inclosure 11 points out that the Inactivation Order No. 23, inclosure 9, inactivated, effective 7 February 1946, the Magirog Unit, Cavite United Free Guerrilla Forces while letter Headquarters Philippine Army dated 12 December 1946, Incl 6, states that the unit was discharged as of 2 July 1945. Although not listed as inclosures to the letter attached as inclosure 11, it is understood that four papers, inclosures 2, 6, 9 and 10 hereto, were appended to the letter, inclosure 11, when received at Headquarters, Philippine Army.

13. Letter GSGPO 091 PI Headquarters AFWHFAC dated 27 March 1946 to Chief of Staff, Philippine Army, subject: "Payment of Terminal Date Guerrilla." This letter, a true copy attached as inclosure 12, was issued after it became known that erroneous payments were being made.

14. Copy of report submitted by Captain Douglas C. Murray, Inf, AUS Philippine Army Division this headquarters, setting forth as far as known to him a detailed account of circumstances connected with the erroneous payment. A true copy is attached as inclosure 13.

15. Certificate of 1st Lt. Charles P. Smith, Inf dated 4 April 1946, stating that he confirmed a copy of Inactivation Order No. 23 Headquarters 86th Division. A true copy is attached as inclosure 14.

16. Affidavit of Sergeant Henry A. Steczynski dated 4 April 1946, in reference to certificate mentioned in sub-paragraph 15 above. A true copy is attached as inclosure 15.

17. It appears that the erroneous payment mentioned in paragraph 1 above may have been based on the 1st Indorsement to letter attached as inclosure 11.

18. It is desired that this matter be investigated immediately with a view to determining the responsibility for such erroneous payment and that a complete report of the investigation, together with your recommendations as to appropriate disciplinary action, be forward to this headquarters.

19. It is further desired that an audit of the vouchers involved be made at once and that these vouchers, along with a detailed report of the results of the audit, be forwarded to this headquarters.

6. The reports called for in paragraphs 4 and 5 above will be forwarded to reach this headquarters not later than 30 April 1946.

SUBJECT: BY ORDER OF LIEUTENANT GENERAL STYER:

See Distribution.

/s/ Frank J Kleager
/t/ FRANK J KLEAGER
1st Lt Inf
Actg Asst Adj Gen

1. Reference is made to letter dated 20 March 1946.

15 Incls: As stated herein, in supplement No. 5 to inclosure to above reference letter, additional recognized units.

BY ORDER OF GENERAL STYER:

1 Incls: Supplement No. 5 to list of Recognized Units in Office.

W. A. MURRAY
Major, A. G. S.
Actg. Adj. Gen.

DISTRIBUTION

**UNITARY DATA REGISTRY
AS APPROVED BY THE BOARD OF ADJUTANTS**

Section 1

Date of recognition of "District Hq & Hq Det, 25th" shown as Supplement #1 on 3 March 45 is corrected to read "3 Jan 45."

Unit	Strength	Date
10. 10th United Free Guarilla Force Negros Unit	100	31 Jan 45

A HIGH PRIORITY COPY

/s/ LONNIE G. MURPHY
/s/ NICHOLAS G. MURRAY
Capt Inf

E X T R A C T

HEADQUARTERS SIXTH ARMY
APO 442

AG 384 A-2

9 May 1945

SUBJECT: Recognized Guerrilla Units.

TO : See Distribution.

1. Reference is made to letter this headquarters subject and file as above dated 26 March 1945.

2. Inclosed herewith is supplement No. 2 to inclosure to above reference letter, additional recognized units.

BY COMMAND OF GENERAL KRUEGER:

1 Incl: W. A. MIXTACKI
Incl 1 - supplement #2 to list Major, A. G. D.
of Recognized Guerrilla Units. Asst. Adj. Gen.

DISTRIBUTION

GUERRILLA UNITS RECOGNIZED
AS AUTHORIZED ELEMENTS OF USAFTE

Section 1

Date of recognition of "District Hq & Hq Det, LGAF" shown on Supplement #1 as 9 March 45 is corrected to read "9 Jan 45."

Unit	APPROX Strength	Date
19. Cavite United Free Guerrilla Forces Nagirog Unit	195	31 Jan 45

A TRUE EXTRACT COPY:

/s/ Douglas C. Murray
/t/ DOUGLAS C. MURRAY
Capt Inf

DECLASSIFIED
Authority NND 883078

Incl 1

HEADQUARTERS
 UNITED STATES ARMY FORCES WESTERN PACIFIC
 OFFICE OF THE COMMANDING GENERAL

APO 707
 4 December 1945

(164)
 GSKOL

SUBJECT: Assignment of Units

TO : Chief of Staff, Philippine Army APO 501
 Section, Base And Area Commanders

4. Pursuant to the authority contained Par #1, General Order 306, Hq AFPAC, dated 1 November 1945, the following Philippine Army units are assigned as indicated below effective 15 November 1945:

UNIT	ASSIGNED	LOCATION
X	X	X
Magirog Unit, Cavite UFGF,	86th Div Area Comd	Tagaytay

BY COMMAND OF LIEUTENANT GENERAL STYER:

DISTRIBUTION:

X X X

/s/ R. L. Anderson
 /t/ R. L. ANDERSON
 Colonel, AGD
 Ass't Adj Gen

A TRUE EXTRACT COPY

/s/ Douglas C Murray
 /t/ DOUGLAS C. MURRAY
 Capt., INF.

Incl 2

DECLASSIFIED
 Authority NNTD883078

HEADQUARTERS

UNITED STATES ARMY FORCES WESTERN PACIFIC
OFFICE OF THE COMMANDING GENERAL

APO 707
5 December 1945

GSCP 091 PI

SUBJECT: Directive No. 1, Demobilization of the Philippine Army

TO : Chief of Staff, Philippine Army, APO 501

X X X X

2. By reference a, all elements of the Philippine Army are assigned to this headquarters.

3. By reference b, this headquarters is charged with responsibility for execution of the Revised Plan for Demobilization of the Philippine Army.

X X X X

5. You are hereby directed to initiate at once and accomplish Phase I, with the object of completion by 31 December 1945. Accomplishment will include:

a. Inactivation.

- (1) Inactivate by 31 December 1945 all presently activated but unorganized, and all activated but to date not yet fully organized units of the Philippine Army, the retention of which is not provided for in Exhibit 1 of reference c. These units are listed in inclosure 1.
- (2) No further Philippine Army units will be activated, nor will further organization of presently activated units be continued, without the approval of this headquarters.

b. Discharge or relief from active duty. Elimination of surplus personnel directed in paragraph 3 a (2) of reference c will include:

- (1) Casuals in Philippine Army replacement battalions.
- (2) Casuals presently attached to organized Philippine Army units.
- (3) Personnel from Philippine Army units which will be demobilized as being excess of the units contained in exhibit 1 of reference c. These units are designated in inclosure 1.

Incl 3

DECLASSIFIED
Authority NND 883078

- c. (1) All inactivations, disbandments and/or separation of personnel will be upon orders issued by your headquarters.
- (2) The separations directed in paragraph 5 b (1) will be administered by your headquarters.
- (3) The separations directed in paragraph 5 b (2) and (3) will be administered by your headquarters under the supervision of the area commands of this Headquarters.

X X X X X X

BY COMMAND OF LIEUTENANT GENERAL STYER:

2 Incls:

- 1 - Units for Inactivation Phase I
- 2 - Discharge Policies

A TRUE EXTRACT COPY:

/s/ Douglas C. Murray
 /t/ DOUGLAS C. MURRAY
 Capt. Ing

DECLASSIFIED
 Authority NND 883078

PHASE I

APR 70E

USARS 001 (To accompany Directive No 1, Demobilization of the Philippine Army)

SUBJECT: Demobilization of the Philippine Army

1. Listed below are those units of the Philippine Army which are declared surplus, and which will be inactivated and/or disbanded, and the personnel thereof discharged from active duty by 31 December 1945.

2. Reference is made to the attached copy of directive to the Chief of Staff, Philippine Army, dated 22 December 1944, "Directive No. 1, Demobilization of the Philippine Army."

3. Non-Standard Army Units.

a. Attached to the 86th Infantry Division of the Philippine Army.

<u>UNIT</u>	<u>STATION</u>
Magirog Unit, Cavite UFGF	Tagaytay

4. Personnel demobilization teams organized and trained by the Philippine Army will be attached to your command to accomplish the separation of units to be disbanded. The procedure to be followed and time to be accomplished in separating personnel will be set forth in attached circular GHS, Headquarters, Philippine Army, dated 3 December 1944, "Responsibilities of Personnel to be Demobilized."

A TRUE EXTRACT COPY:

/s/ Douglas C. Murray
/t/ DOUGLAS C. MURRAY
Capt Inf

5. Equipment of inactivated Philippine Army units will be stored in accordance with the supply points designated by that command.

6. Equipment will be disposed as follows:

- (1) By salvage, if unserviceable.
- (2) By reconditioning, if suitable for subsequent release.
- (3) By return of stock if new.
- (4) Serviceable equipment will be held available for release solely to the Philippine Army.

DECLASSIFIED
Authority NND 883078

Incl 1 to Incl 3

HEADQUARTERS

UNITED STATES ARMY FORCES WESTERN PACIFIC

OFFICE OF THE COMMANDING GENERAL

storage, and records. All equipment will be governed by AFMSPAC Regulation 20-85, dated 22 October 1945, with particular attention to paragraph 4.

APO 70Z

6 December 1945

GSCFG 091 PI

SUBJECT: Demobilization of the Philippine Army

TO : Commanding General, 86th Division Area Command, APO 450

1. Reference is made to the attached copy of directive to the Chief of Staff, Philippine Army, subject: "Directive No. 1, Demobilization of the Philippine Army."

2. This letter is intended to define your responsibilities with respect to the execution of Phase I of the readjustment of the Philippine Army.

3. You will proceed forthwith to execute the inactivation and disbandment of non-standard Philippine Army units and the separation of personnel therein as directed in paragraph 5 b (3) of the above reference. The units to be inactivated are those specified in paragraph 3 a of Inclosure 1 to attached reference, and such other non-standard units as may from time to time be attached to your command.

4. Fifteen demobilization teams organized and trained by the Philippine Army will be attached to your command to accomplish the separation of personnel of the units to be disbanded. The procedure to be followed and forms to be accomplished in separating personnel will be as set forth in attached Circular #182, Headquarters, Philippine Army, dated 3 December 1945, subject: "Disposition of Personnel to be Demobilized."

5. The separations directed in paragraphs 5 b (1) and (2) the above reference will not apply to your command.

6. a. Equipment of inactivated Philippine Army units will be turned in to Base "X" or supply points designated by that command.

b. Equipment will be disposed as follows:

(1) By salvage, if unserviceable.

(2) By reconditioning, if suitable for subsequent reissue.

(3) By return of stock if new.

(4) Serviceable equipment will be held available for reissue solely to the Philippine Army.

Incl 4

Ltr Demobilization of the Philippine Army - Continued

c. The preparation, deliver, inspection, classification, storage, and receipt at bases and supply points of supply and equipment will be governed by AFWESPAC Regulation 20-65, dated 15 October 1945, with particular attention to paragraph 4.

d. No further issues of firearms will be made to units, exclusive of Military Police Command units, without prior approval of this headquarters.

7. It is desired that every effort be made to accomplish the inactivation and disbandments by 31 December 1945, if not, they will continue as necessary to completion.

8. Weekly progress reports will be furnished this headquarters setting forth the following:

- a. The unit(s) being inactivated.
- b. The number of officers and enlisted men of each unit separated from service.
- c. The number of officers and enlisted men of each unit remaining to be separated.
- d. The unit(s) inactivated as of date of each report and the strength of each unit.

9. Instructions applicable to your command during Phases II and III will issue later.

BY COMMAND OF LIEUTENANT GENERAL STYER:

2 Incls.

- 1 - Copy, Directive No.1
to CofS, Philippine Army
with 2 inclosures
- 2 - Circular #182, Hq PA,
dtd 3 Dec 1945

A TRUE COPY:

/s/ Douglas C. Murray
/t/ DOUGLAS C. MURRAY
Capt. Inf

DECLASSIFIED
Authority NND 883078

Incl 4

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC
MALACANAN PALACE
MANILA

APO 707
6 Dec 1945

GSCFG 091 PI

BY THE PRESIDENT OF THE PHILIPPINES
EXECUTIVE ORDER NO. 68
SUBJECT: Recognition of Guerrilla Unit.

TO : Chief of Staff, Philippine Army, APO 501.

1. The following guerrilla unit is recognized by the Commanding General, United States Army Forces, Western Pacific, as having been an authorized element of this command from 2 February 1945, to 1 July 1945:

Magirog Unit, Cavite United Free Guerrilla Forces,
Hq Staff & 1st, 2nd & 3d Battalions 1,187

2. Under the provisions of Executive Order No. 21, by the President of the Commonwealth of the Philippines, dated 26 October 1944, the status of the members of this unit, during the period above specified, was that of officers and enlisted men of the Philippine Army.

3. It is desired that payment of this unit for the period above specified, by Finance Officers of the Philippine Army, be expedite.

4. Under the provisions of Executive Order No. 68, by the President of the Commonwealth of the Philippines, dated 26 September 1945, all Officers and enlisted men of this unit, other than those who are members of the Regular Force or the Reserve Force of the Philippine Army, will be considered as having been discharged from the Philippine Army as of 2 July 1945.

BY COMMAND OF LIEUTENANT GENERAL STYER:

1 Incl:
Roster of Unit.

/s/ John J. Pepas

/t/ JOHN J. PEPAS

Capt., AGD

Asst. Adj. Gen

A TRUE COPY:

/s/ Douglas C. Murray

/t/ DOUGLAS C. MURRAY

Capt., Inf

DECLASSIFIED
Authority NND 883078

Incl 5

MALACANAN PALACE
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 68

DEMOBILIZATION OF ELEMENTS OF THE PHILIPPINE ARMY AND
OTHER GUERRILLA UNITS IN THE FIELD

WHEREAS, the Commonwealth Government has been advised by the Commander-in-Chief, United States Army Forces, Pacific, of the termination of hostilities and the surrender of Japanese forces;

WHEREAS, the Government has further been advised by the Commander-in-Chief, United States Army Forces, Pacific, that this termination of hostilities and surrender of the Japanese forces has rendered unnecessary the maintenance for further field service of elements of the Army of the Philippines in addition to regularly activated units and of those guerrilla units already recognized;

WHEREAS, continued assembly and maintenance of headquarters is not a prerequisite to recognition of guerrilla units; and

WHEREAS, the demobilization of guerrilla units in the field will not prejudice the continuance of recognition of such guerrilla units as can produce evidence showing that they have maintained organized military forces in the field in effective opposition to the Japanese, which will be the basis for award of such benefits as may be authorized to members of such units;

NOW, THEREFORE, I, SERGIO OSMEÑA, President of the Philippines, by virtue of the powers vested in me by the Constitution and laws of the Philippines, do hereby order:

1. That all unrecognized guerrilla units be disbanded and that all members thereof return to their homes and engage in their normal civilian pursuits.

2. That all arms, ammunitions, and military supplies and equipment in the possession of unrecognized guerrilla units or of individual members of such units be immediately turned in to the Commander of the nearest unit of the United States Army or of the Army of the Philippines.

E.O. No. 68

P. 1

/vld

DECLASSIFIED
Authority NND 883078

Incl 1 to Incl 5

3. That all records of unrecognized guerrilla units disbanded in conformity herewith, together with any request for recognition and evidence in support of such request, be assembled and turned in to the Commander of the nearest unit of the United States Army or of the Army of the Philippines for forwarding to Headquarters, Philippine Army.

Done at the City of Manila, this 26th day of September, in the year of Our Lord, nineteen hundred and forty-five, and of the Commonwealth of the Philippines, the tenth.

(SGD) SERGIO OSMEÑA
President of the Philippines

By the President:

(SGD.) JOSE S. REYES
Secretary to the President

E.O. No. 68
P. 2

/vld

DECLASSIFIED
Authority NND 883078

IN REPLYING
REFER TO
AGO (Rets. Div)

COMMONWEALTH OF THE PHILIPPINES
ARMY HEADQUARTERS
APO 501

12 Dec 1945

SUBJECT: Recognition of Guerrilla Units

TO: CO, Magirog Unit, Cavite United Free Guerrilla Forces

1. Magirog Unit, Cavite United Free Guerrilla Forces, consisting of Hq Staff and 1st, 2nd and 3rd battalions, total strength, 187, has been recognized by the Commanding General, AFWESPAC, as having been an authorized element of that command from 2 February 1945 to 1 July 1945, per ltr, Hq AFWESPAC, APO 707, file GSOPG 091 PI, same subject, dtd 6 December 1945, copy herewith attached.

2. Under the provisions of Executive Order No. 68, by the President of the Philippines dated 26 September 1945, all officers and enlisted men of this unit, except members of the Regular Force or Reserve Force, Philippine Army, will be considered as having discharged from the Philippine Army as of 2 July 1945.

BY COMMAND OF BRIGADIER GENERAL JALANDONI:

Incl:
As stated.

/s/ Lope Quial
/t/ LOPE QUIAL
Lt-Colonel, AGS
Ass't Adjutant General

A TRUE COPY:

A TRUE COPY OF A TRUE COPY:

/s/ Pablo Fernandez
/t/ PABLO FERNANDEZ
Capt, Inf
Adjutant

/s/ Douglas C. Murray
/t/ DOUGLAS C. MURRAY
Capt Inf

DECLASSIFIED
Authority NND 883078

Incl 6

31 December 1945

GENERAL ORDERS)
NUMBER 290)

INACTIVATION AND DISBANDMENT
OF PA (GUERRILLA) UNITS

1. Inactivation and disbandment of PA (Guerrilla) Units. 1. By direction of the President and in compliance with Directive No. 1, Demobilization of the Philippine Army, Hq, AFWESPAC, GSCP, 091 PI, dtd 5 Dec 45, the following PA (Guerrilla) Units are hereby inactivated and will be disbanded at the earliest practicable date:

a. Attached to the 86th Infantry Division:

<u>Unit</u>	<u>Station</u>
Magirog Unit, Cavite UNGF	Tagaytay

2. The Commanding Officer, each Guerrilla Unit (PA), will take the necessary action indicated herein under the direction of the CO to which each unit is attached.

3. Personnel, organizational records, and equipment of the inactivated and disbanded unit will be disposed of as per provisions of Circular No. 182, this Headquarters, dated 3 December 1945.

4. Unit Funds will be disposed of in accordance with USAFFE regulation 1-70, 16 September 1944.

5. Final Rosters will be submitted in accordance with AR 345-900, 22 May 1942.

6. Upon completion of this inactivation and disbandment, report will be submitted to this headquarters without delay.

By order of the Secretary of National Defense:

OFFICIAL:

IVIS RAMOS
Colonel, AGS,
The Adjutant General

R. JALANDONI
Major General, PA,
Chief of Staff.

RESTRICTED

DECLASSIFIED
Authority NND 883078

Incl. 7

R E S T R I C T E D

GO # 290, 31 dec 45, cont'd

DISTRIBUTION:

"A" "L" "X" "G" "P"

APR 1947
6 January 1946

A TRUE EXTRACT COPY

~~/s/~~ Douglas C. Murray
~~/t/~~ DOUGLAS C. MURRAY
Capt., Inf.

The following recognized guerrilla units are attached to the 1st Division Area Command for processing for back pay and separation from the service, effective 7 January 1946. This does not constitute a recall to active duty.

RECOGNIZED UNITS

Maglog Unit, Davita United
New Guerrilla Force, 24
Staff 2, 1st, 2nd, 3rd Reg

BY ORDER OF ASSISTANT CHIEF OF STAFF:

(s) R. H. Anderson
(t) R. H. ANDERSON
Colonel, AGC
Asst ADJ Gen

A TRUE EXTRACT COPY:

~~/s/~~ Douglas C. Murray
~~/t/~~ DOUGLAS C. MURRAY
Capt., Inf

Jan 7

DECLASSIFIED
Authority NND 883078

RESTRICTED

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC
OFFICE OF THE COMMANDING GENERAL

AFPO 707
6 January 1946

GSCOF 322
(6)

SUBJECT: Assignment of Units

TO : Chief of Staff, Philippine Army, APO 501
Section, Base and Area Commanders

X X X X X X X X

4. The following recognized guerrilla units are attached to the 86th Division Area Command for processing for back pay and separation from the service, effective 7 January 1946. This does not constitute a recall to active duty.

RECOGNIZED UNIT

X X X X X X X X

Magirog Unit, Cavite United
Free Guerrilla Forces, Hq
Staff & 1st, 2nd, 3rd Bns

BY COMMAND OF LIEUTENANT GENERAL STYER:

/s/ R. L. Anderson
/t/ R. L. ANDERSON
Colonel, AGD
Asst Adj Gen

DISTRIBUTION:

X X X

A TRUE EXTRACT COPY:

/s/ Douglas C. Murray
/t/ DOUGLAS C. MURRAY
Capt, Inf

DECLASSIFIED
Authority NND 883078

Incl 8

HEADQUARTERS
86TH INFANTRY DIVISION
APO 450

vb/
6 February 1946

GAHQ

Inactivation Order
No. 23

1. Pursuant to the provisions of Par 3, Ltr, Hq, AFWESPAC, APO 707, "Demobilization of Philippine Army," GSCFO 091-PA, dtd 6 Dec 45, and GO 290, Hq Philippine Army dtd 31 Dec 45, subj: "Inactivation and Disbandment of PA (Guerrilla) units," the Magirog Unit, Cavite UFGF, (341st U S Infantry Area), is inactivated with effective date 7 February 1946.

2. Commanding Officer of above unit will be directed to forward all records pertaining to his unit to the Commanding General, Philippine Army, APO 501.

BY COMMAND OF MAJOR GENERAL MUELLER:

/s/ J. KOCKNAVATE,
/t/ J. KOCKNAVATE,
Lt. Col., A. G. D.,
Adjutant General

DISTRIBUTION:

- 10 - CO, 341st Infantry
- 5 - CO, AFWESPAC, APO 707 (Attn: Col Lillard)
- 5 - Chief of Staff, PA, APO 75
- 5 - CO, Magirog Unit, Cavite, UFGF
- 5 - Guerrilla Command Staff

CONFIRMED:

A TRUE COPY

/s/ PABLO FERNANDEZ
/t/ PABLO FERNANDEZ
Capt, Inf
Adjutant

/s/ CHARLES P. SMITH
/t/ CHARLES P. SMITH
1st Lt, Inf
PA & PS Div, Hq AFWESPAC

A TRUE COPY OF A TRUE COPY

/s/ Douglas C. Murray
/t/ DOUGLAS C. MURRAY
Capt., Inf

DECLASSIFIED
Authority NND 883078

Incl 9

HEADQUARTERS
86TH INFANTRY DIVISION
APO 450

27 February 1946

TO WHOM IT MAY CONCERN:

This is to certify that according to Secret Letter file AG-384-W, dated 20th August 1945, subject report on Guerrilla Units, Headquarters XIV CORPS APO 453, and weekly report of attached Guerrilla Units per AG 384 A-3 dated 7 August 1945, Headquarters 11th Airborne Division, and Secret Operations Memorandum Number 77, dated 12 August 1945, Headquarters XIV Corps APO 453, the CAVITE, UFGF, CO A Magireg Unit, was attached to the 38th Infantry Division and 11th Airborne Division on dates indicated in respective letters above.

/s/ James S. Porter
/t/ JAMES S. PORTER
1st Lt., FA
Adjutant
86th Guerrilla Affairs Office

A TRUE COPY:

/s/ Pablo Fernandez
/t/ PABLO FERNANDEZ
Capt., Inf
Adjutant

A TRUE COPY OF A TRUE COPY:

/s/ Douglas C. Murray
/t/ DOUGLAS C. MURRAY
Capt., Inf

DECLASSIFIED
Authority NND 883078

Incl 10

HEADQUARTERS
4th Replacement Battalion (PA)
APO 75

5 March 1946

SUBJECT: Clarification

TO : The Adjutant General, HPA, APO 75

ATTENTION: Guerrilla Affairs Section

1. Request clarification as to effective date of discharge of the Magirog Unit, Cavite UFGF (341st U. S. Infantry Area).

2. Per, Inactivation Order No 23, 86th Div., USA, confirmed by Hq, AFWESPAC this unit is inactivated 7 February 1946, while letter from Tag; 12 December 1945 states that members of this unit will be considered as having been discharged from the PA as of 2 July 1945. Papers supporting the claim of this unit that they were actually attached to the 86th Div, USA, after July 1945 are hereto attached for your information and perusal.

FOR THE COMMANDING OFFICER:

/s/ Pablo Fernandez
/t/ PABLO FERNANDEZ
Capt., Inf
Adjutant

A TRUE COPY:

/s/ Pablo Fernandez
/t/ PABLO FERNANDEZ
Capt., Inf
Adjutant

A TRUE COPY OF A TRUE COPY:

/s/ Douglas C. Murray
/t/ DOUGLAS C. MURRAY
Capt Inf

DECLASSIFIED
Authority NNJ 883078

June 11

BASIC: Ltr fr Capt Pablo Fernandez, dtd 5 Mar 1946, subj: "Clarification."

(G-1)
HEADQUARTERS PHILIPPINE ARMY, APO 75
1st Ind
6 Mar 1946

TO: CO 4th Repl Bn (PA) APO 75

Attention is invited to the enclosed paper herewith particularly to the inactivation order #23 of the 86th Inf Div dated 6 Feb 1946, re-inactivation and disbandment of the Mag Irog Unit effective 7 Feb 46 duly confirmed by AFWESPAC which is self explanatory. Members of this unit has been in continuous service as shown in this record.

FOR THE CHIEF OF STAFF:

/s/ Lope Quial
/t/ LOPE QUIAL
Lt. Col., AGS
Asst Adjutant General

A TRUE COPY

/s/ Pablo Fernandez
/t/ PABLO FERNANDEZ
Capt., Inf
Adjutant

A TRUE COPY OF A TRUE COPY

/s/ Douglas C. Murray
/t/ DOUGLAS C. MURRAY
Capt., Inf

BY ORDER OF ASSISTANT CHIEF OF STAFF:

1st Ind
6 Mar 1946

DECLASSIFIED
Authority NND 883078

1st Incl to Incl 11

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC
OFFICE OF THE COMMANDING GENERAL

27 Mar 46
APO 707

GSCPO 091 PI

SUBJECT: Payment of Terminal-Date Guerrillas.

TO : Chief of Staff, Philippine Army, APO 75

1. It has come to the attention of this headquarters that some members of a terminal-date guerrilla unit have been paid by Philippine Army disbursing officers for periods subsequent to the terminal date specified in the official letter of recognition from this headquarters.

2. The particular instances brought to the attention of this headquarters were members of a unit who were not processed and paid with their unit but subsequent thereto as casuals at Camp Murphy.

3. The official recognition letter of all terminal-date units clearly specified the terminal date of recognition of all members of the unit, and no payment is authorized beyond that date, except in the case of regulars and reservists.

4. It is desired that instructions issue immediately to all finance officers advising them of the contents of this letter and emphasizing that no payment will be made to any member of a terminal-date unit, except regulars and reservists, regardless of the date of his processing, for any period beyond the terminal date specified in the letter of recognition.

BY COMMAND OF LIEUTENANT GENERAL SPYER:

M/R: Self Explanatory

Frank J. Kleager
1st Lt., Inf
Actg Asst Adj Gen

A TRUE COPY:

/s/ Douglas C. Murray
/t/ DOUGLAS C. MURRAY
Capt Inf

DECLASSIFIED
Authority NND 883078

Jul 12

15 April 1946

MEMORANDUM: G-3 Headquarters AFWESPAC

SUBJECT: Erroneous Payment of Guerrilla Unit, Cavite United Free Guerrilla Forces.

1. In compliance with verbal instructions of the Chief of Guerrilla Affairs Branch, the following report of investigation is submitted. The individuals listed below were consulted:

1st Lt. C.P. Middleton, Guerrilla Affairs Branch, AFWESPAC
2d Lt. D.E. Porter, Guerrilla Affairs Branch, AFWESPAC
Maj D. Arnholz, Fiscal Office, Afwespac
1st Lt Charles P. Smith, PA & PS Div, G-1, AFWESPAC
1st Lt Jose Quirolgico (PA), O-42434 Inf, Processing Officer, 4th Repl Bn, Camp Murphy
Capt. Pablo Fernandez (PA), O-252617, Adjutant, 4th Repl Bn, Camp Murphy
Maj. Manuel T. Flores (PA), O-14517, Commanding Officer, 4th Repl Bn, Camp Murphy
Capt. Idelberto Ramos (PA), O-21368, Finance Service, 4th Finance Disbursing Section.
Lt. Col. Wilson, Guerrilla Affairs Office, 86th Inf Div

2. Investigation.

a. On 20 March 1946, Lt. Middleton was notified of a rumor to the effect that certain guerrillas of the Magirog Unit, Cavite United Free Guerrilla Forces were bragging that they had received a full year's pay instead of only the five months pay to which they were entitled. Lt. Middleton immediately called Capt. Murray, then Executive Officer, Philippine Army Division, G-3, in an effort to have him stop the payment of this unit. Capt. Murray was unable to get through on the phone to the 86th Inf Div and Lt. Middleton was informed of that fact. Lt. Middleton then sent Lt. D. E. Porter to Camp Murphy by jeep to stop payment.

b. Upon arriving at Camp Murphy, Lt. Porter ordered Capt. Ramos to cease all further payments and secured from him true copies of the letter of Clarification, Incl 11, the 1st Ind thereto and the following attachments to the 1st Ind: AFWESPAC Letter of Assignment, 4 Dec 1945, Incl 2; HPA Letter of Recognition, 12 Dec 45, Incl 6; 86th Inf Div Inactivation Order, Incl 9; Certification by Lt. J. S. Porter, Incl 11. By this time, however, approximately 90% of the unit had received an additional 7 month's pay.

c. On 21 March 1946 Col Lillard, Operations Branch, Philippine Army Division, G-3, called the 86th Inf Div in order to make sure payment to this unit had ceased.

d. Maj. Arnholz was contacted to determine whether or not instructions to HPA had been issued to suspend all payments to the Magirog Units. According to Maj. Arnholz, HPA had not only received verbal orders to suspend payments to the Magirog Units but also had been verbally instructed to commence an audit of all vouchers involved.

e. Lt. Smith was next contacted to determine the reason for his confirmation of the 86th Inf Div Inactivation Order. His statement and that of his chief clerk are attached as Incls 14 and 15.

f. Lt. Quirolgico revealed that approximately 73 officers and men of the Magirog Unit, Cavite United Free Guerrilla Forces (Headquarters Staff and 1st, 2d, & 3rd Battalions, strength 1187, appeared at Camp Murphy in advance of the main body of their men and, between 5-12 Feb 1946, received their authorized 5 months pay. The remainder of this unit received its authorized 5 month's pay as the men drifted in to Camp Murphy throughout the month of Feb. On or about 5 March 1946 Colonel Magno S. Irugan, Lt. Col. Ricardo Torres, Maj. Jose Fojas and several other unidentified PA officers of the Magirog Unit, Cavite United Free Guerrilla Forces, strength 1187, presented the following orders to Lt. Quirolgico with the request that, by virtue of these orders, they receive an additional 7 month's pay: AFWESPAC Letter of Assignment, 4 December 1945; Inactivation Order No. 23, 86th Inf Div, 7 Feb 1946; HPA Letter of Recognition, 12 December 1945; Certification by Lt. J.S. Porter, 27 February 1946. Lt. Quirolgico referred them to Maj. Flores since he had no authority to grant that request.

g. These officers then presented the orders mentioned in Paragraph 2f, above, to Maj. Flores who in turn instructed his Adjutant, Capt. Fernandez, to write a letter to HPA requesting clarification, Incl 11, and attaching those orders to the request. On 6 March 1946 the 1st Ind to this letter, 1st Ind to Incl 11, was returned to Maj. Flores authorizing payment of the Magirog Unit, Cavite United Free Guerrilla Forces, strength 1187, for 7 month's additional pay. This indorsement and attached papers were turned over to Capt. Ramos.

h. Capt. Ramos, who had paid the Magirog Unit, Cavite United Free Guerrilla Forces, strength 1187, its authorized 5 month's pay, again paid the members of this unit present an additional 7 month's pay upon receipt of the papers mentioned in Paragraph 2g, above. Upon being questioned, he stated that he had not previously paid off a guerrilla unit, and that, in addition to the 1st Ind referred to in Paragraph 2g, above, he had used the records of the payment of the 41st Inf Regt, MMD, as a precedent.

i. Col. Wilson stated that the processing and payment of the Magirog unit, Cavite United Free Guerrilla Forces, strength 1187, had not been handled nor supervised by any of his American Officers.

j. Capt. Ramos and Lt. Quirolgico both stated that, to the best of their knowledge, No American Officers were present at any time during the processing and payment of the Magirog Unit, Cavite United Free Guerrilla Forces, strength 1187.

k. The exact number of men who received pay for their 5 month's service and again for an additional 7 month's cannot be determined until a complete audit has been made by the Auditor, HPA. All payments to the several Magirog Units ceased upon receipt of a letter from the Office of the Auditor, HPA, to the Chief of Finance Service, HPA, signed by Maj. Jose C. Moran, PA, dated 30 March 1946, suggesting to all PA Disbursing Officers that no further payments be made to members of these units.

l. Lt. J. S. Porter who made the Certification, Incl 10, was not contacted due to his temporary absence at Baguio. He is expected back on 13 April 1946.

m. The following inclosures, now listed in the preceding paragraphs are attached as information relative to the investigation:

- Incl. 1, letter Hq 6th Army, 9 May 1945
- Incl. 3, AFWESPAC Demobilization Directive No. 1, 5 Dec. 45.
- Incl. 1 to Incl. 3
- Incl. 4, AFWESPAC letter to 86th Inf Div, 6 Dec 45.
- Incl. 5, AFWESPAC letter of recognition, 6 Dec 45.
- Incl. 1 to Incl 5
- Incl. 7, General Order No. 290, HPA, 31 Dec. 45.
- Incl. 8, AFWESPAC letter of assignment, 6 January 46.
- Incl. 12, AFWESPAC letter to Cofs, PA, 27 Mar 1946.

/s/ Douglas C. Murray
/t/ DOUGLAS C. MURRAY
Captain Inf

14 Incls
as cited above

4 April 1946

STATEMENT

I hereby state that the following statement is correct to the best of my knowledge:

About one month ago, the exact date is not available, four officers came into the Philippine Army and Philippine Scout Division, G-1 AFWESPAC and asked the clerk, Sergeant Henry Steczynski, to let them speak with an officer of the Division. The time was approximately 1705 and I was the only officer remaining in the office.

These officers told me that they were from the Magirog Cavite UGFG Guerrillas and then asked me to confirm a copy of Inactivation Order Number 23, Headquarters 86th Infantry Division, dated 6 February 1946 which was the inactivation order for their unit. They stated that they wanted to get paid for their services and that the order from the 86th Division was not valid without a confirmation from an officer in AFWESPAC Headquarters. I told them that I thought that an order from the Division was official but after their insistence that only with a signature from someone in AFWESPAC could they be paid I looked up in the files of this office a copy of Inactivation Order Number 23. This coincided exactly with the copy of the order in their possession so I had the clerk type "confirmed" on the copy of the order that they had and signed it.

/s/ Charles P. Smith
/t/ CHARLES P. SMITH
1st Lt., INF
PA & PS Div
G-1, AFWESPAC

A TRUE COPY:

/s/ Douglas C. Murray
/t/ DOUGLAS C. MURRAY
Capt., Inf

DECLASSIFIED
Authority NND 883078

Incl 14

4 April 1946

STATEMENT

I, Sergeant Henry A. Steczynski, Chief Clerk of the Philippine Army & Philippine Scout Division, G-1, state that to the best of my knowledge, the following information is correct:

That on or about 1 February 1946, several Filipino officers entered the office of the PA & PS Div. and requested that they be given permission to speak with any one of the officers on duty. Since it was past office hours, and all the officers except Lt Charles P. Smith had left, I suggested that they come back the following day. They then stated they had come a long distance and only want to have a copy of Inactivation Order #23, Headquarters 86th Infantry Division, confirmed. I then called Lt. Smith to see if he could give them some assistance. Lt Smith and I thoroughly checked their copy of Inactivation Order #23 with a copy we had in our files. They were identical in every detail. I then typed the word "Confirmed" and prepared their copy for his signature of which he signed.

/s/ Henry A. Steczynski
/t/ HENRY A. SPECZYNSKI
Sergeant, INF
Chief Clerk, PA & PS Div, G-1

Subscribed and sworn to (or affirmed) before me

at: Manila, P.I...APO 707.....

this 5th day of April 1946

CHARLES T SMITH, Capt, FA

0-520734

A TRUE COPY:

/s/ Douglas C. Murray
/t/ DOUGLAS C. MURRAY
Capt., Inf

DECLASSIFIED
Authority NND 883078

Incl 15-

ESCUDERO UNIT

DECLASSIFIED
Authority NNT 883078

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC

CHECK - SHEET

SFF/hq

Do not remove from attached sheets.

Tel: 149 & 152

FILE NO. GSCP 091 SUBJECT: Escudero Unit.

(1) FROM: G-3 (PA Div) TO: AG (Rec Pers Div)

16 October 46

Forwarded for any value it may have in relation to erroneous payment of "Escudero Unit."

1 Incl:
Ltr fr Juan F. Espaldon,
Gubat, Sorsogon, 5 Oct 46

Lillard
for
E. J. McGAW
Brig Gen, GSC
G-3

DECLASSIFIED
Authority NND 883078

Gubat, Sorsogon
Oct. 5, 1946

The Guerilla Affair Section,
H. Q., AFWESPAC, Apo 707, Manila.

In connection with my complaint againsts Juan E. ESPALDON, who collected the money from the recognized Escudero Units, I have the honor to inform you that I am retracting my fromal charge against him, in view of my agreement with said Juan E. Espaldon. We two are cousins and have agreed that whatever amount he will collect from the army he will give to me one half of it. anyway both of us had ~~sacrificed~~ for our cause.

Very respectfully,

Juan Espaldon
JUAN F. ESPALDON

HEADQUARTERS AFWESPAC
Check Sheet

Do not remove from attached sheet.

File No.

Subject: Overpayment of the Escudero
Unit.

(1) FROM: Chief, Opns Sec TO: Chief, PA Br 24 Jun 46
HMF/avg

1. The attached Report of Investigation with inclosures is forwarded for appropriate action.

2. It appears from the Report of Investigation that Lt Morris, AUS OIC was negligent in that he did not properly supervise the work of Lt Viray, PA Finance Officer. However, the AUS OIC cannot be responsible for the illegal disbursement of funds which were drawn by the PA Finance Officer.

3. It is recommended that HPA be directed to take appropriate action against Lt Viray.

4. It is requested that the Operations Section, PA Br, RPD be cleared of all responsibility concerning the overpayment of the Escudero Unit.

1 Incl - Rpt of Investigation
and allied papers

HMF
H. M. F.

(2) FROM: Chief, PA Br

TO: Director, RPD

DATE: 27 Jun 46

I concur in the recommendation made in checknote (1) and recommend that this case be forwarded to Chief of Staff, Philippine Army by the transmittal sheet attached hereto.

JRG
J. R. G.

1 Incl - n/c

(2) FROM: Chief, PA Br

TO: Director, RPD

DATE: 27 Jun 46

I concur in the recommendation made in checknote (1) and recommend that this case be forwarded to Chief of Staff, Philippine Army by the transmittal sheet attached hereto.

1 Incl - n/c

J. R. G.

DECLASSIFIED
Authority NND 883078

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC
Recovered Personnel Division

HMF/avg

GSXRP

26 June 1946
APO 707

SUBJECT: Illegal disbursement of funds.

TO : Chief of Staff, Philippine Army, APO 75

1. The attached report of investigation with inclosures is for your information and appropriate action.

2. It is recommended that additional investigation be made by Headquarters, Philippine Army and that Lt Viray be tried by a General Court Martial for his apparent negligence of duty and disbursement of Government Funds without proper authority.

BY COMMAND OF LIEUTENANT GENERAL STYER:

1 Incl - Report of Investigation
with 12 inclosures.

MORRIS H. MARCUS
Colonel, AGD
Asst Adj Gen

DECLASSIFIED
Authority NND 883078

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC
RECOVERED PERSONNEL DIVISION

AFD 707
29 June 1946

SUBJECT: Over-payment of Escudero Guerrilla Force

MEMORANDUM FOR THE RECORD:

In a conference with the Adjutant General, AFWESPAC (Colonel Gerhardt) and G-3, PA (Colonel Kreuter) this date, it was determined that the investigation of this case made by Recovered Personnel Division was sufficient to establish the facts. It was further decided that the proper method of handling this case from now on is to prepare a letter from General Styer's office to the High Commissioner, calling attention to the facts of the case and requesting necessary action be taken to collect the overpayment of funds from the individuals concerned. It was decided also that Lieutenant Morris should be given an administrative reprimand for his apparent laxity in supervising the affairs of his terminal date team.

Recovered Personnel Division as directed to take the necessary action as above outlined.

MORRIS H. MARCUS
Colonel AGD
Director

INFO COPY: Chief, PA Branch, PTD

OSMIP

File on Escudero Guerrilla Unit

FROM: Director, Rec Pers Div

TO: Adjutant General
AFWESRAC, APO 707

5 Jul 66
EFT/HHH/gst

1. Transmitted herewith complete file covering the case of the reassignment of the Escudero Guerrilla Unit, Sonagon, Sonagon in accordance with our conference of 29 June 66.

2. Recommend that the check sheet prepared for your signature, with inclosures as stated, be referred to the Chief of Staff, AFWESRAC for appropriate action.

1. Encls:
Check Sheet: A1 to G of S,
AFWESRAC

MERRIS H. MARCUS
Col. ACD
Director, Rec Pers Div

Report of Investigating Officer
Memorandum for the Record
Ltr: CG, AFWESRAC to US Ambassador

GSX

Correspondence on Escudero Unit

APO 707

Honorable Paul V. McNutt

United States Ambassador to the Republic of the Philippines
Manila

FROM: Adjutant General,
AFWESPAC, APO 707

TO: Chief of Staff
AFWESPAC, APO 707

5 July 1946
EFF/MMM/JJB/gst

Dear Ambassador:

1. About 25 May 46 the Recovered Personnel Division of my office discovered that the Escudero Guerrilla Unit, Sorsogon, Sorsogon, had, apparently, been erroneously overpaid in the amount of approximately P 50,000 by a Philippine Army Finance Officer who was a member of the demobilization team processing the unit.

2. The Finance Officer could not be contacted nor his records examined until his return to Manila about 10 June 46, at which time an officer was appointed to investigate and render a written report on the apparent overpayment. The report of the investigating officer is transmitted as Incl #1.

3. On 29 June 46 G-3, PA (Colonel Kreuter) the Director, Recovered Personnel Division (Colonel Marcus) and myself in conference, decided that an attempt be made to recover the overpayment as in a previous case and that the AUS officer in charge of the team be given an official reprimand. Record Memorandum of this decision is transmitted as Incl #2.

4. In keeping with 3, above, a letter to the Honorable Paul V. McNutt United States Ambassador to the Republic of the Philippines has been prepared for signature of the Commanding General, AFWESPAC and is transmitted as Incl #3.

5. Request that appropriate action be taken to settle this case as indicated above and in inclosures hereto.

3 Incls:
As stated above.

J. J. GERHARDT
Colonel AGD
Adjutant General

Lieutenant Colonel, U. S. Army
Adjutant General

DECLASSIFIED
Authority NND 883078

~~CONFIDENTIAL~~

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC
OFFICE OF THE COMMANDING GENERAL

APO 707

Honorable Paul V. McNutt
United States Ambassador to the Republic of the Philippines
Manila

Dear Ambassador McNutt:

About 25 May 1946, it was discovered by this headquarters that approximately fifty thousand pesos had been paid erroneously to the Escudero Guerrilla Unit, a properly recognized element of the Philippine Army. Payment was made by a Philippine Army Finance Officer from funds made available from the United States appropriation known as "Expenses, Army of the Philippines."

On 10 June 1946 an officer of this headquarters was directed to investigate these erroneous payments and render a written report concerning same. A copy of this directive is attached as Exhibit A. The report of findings of the investigating officer is attached as Exhibit B. The fact that erroneous payments had been disbursed was established by my headquarters prior to the appointment of the investigating officer mentioned above. His concurrence in a finding that erroneous payment was made is favorably considered as being complete and accurate and sufficient for the purpose of fixing responsibility.

The personnel receiving the erroneous payments had been discharged from the Philippine Army at the time of payment. Since they are no longer under military jurisdiction, action to recover must be taken through civil law enforcement agencies.

It is now desired to bring this matter to the attention of interested Officials of the Republic of the Philippines and to initiate vigorous action to recover these erroneous payments. It is requested, therefore, that you make the necessary representations to the Government of the Republic of the Philippines with a view to causing that government to immediately initiate effective measures to recover the erroneous payments mentioned above.

My headquarters will cooperate fully with the Republic of the Philippines by making available to them all pertinent Army records.

Sincerely,

W. D. STYER
Lieutenant General, U. S. Army
Commanding

DOWNGRADED AT 3-YEAR INTERVAL
DECLASSIFIED AFTER 12 YEARS
DOD DIR 5200.10

DECLASSIFIED
Authority NND 883078

~~CONFIDENTIAL~~

PA 131. ~~Apprs-See~~ File

UNITED STATES HEADQUARTERS WESTERN PACIFIC
UNITED STATES ARMY FORCES WESTERN PACIFIC
RECOVERED PERSONNEL DIVISION

AFO 707
29 June 1946

SUBJECT: Over-payment of Escudero Guerrilla Force

TO MEMORANDUM FOR THE RECORD: [unclear], RPS

I - In a conference with the Adjutant General, AFWESPAC (Colonel Gerhardt) and G-3, PA (Colonel Kreuter) this date, it was determined that the investigation of this case made by Recovered Personnel Division was sufficient to establish the facts. It was further decided that the proper method of handling this case from now on is to prepare a letter from General Styer's office to the High Commissioner, calling attention to the facts of the case and requesting necessary action be taken to collect the overpayment of funds from the individuals concerned. It was decided also that Lieutenant Morris should be given an administrative reprimand for his apparent laxity in supervising the affairs of his terminal date team.

Recoverd Personnel Division as directed to take the necessary action as above outlined, to 30 April 1946.

b. See inclosures Nos. 3 and 4.

III- FACTS

a. That 530 out of 835 men of the [unclear] overpaid, having been paid from [unclear] ^{/s/ Morris H. Marcus} _{/t/ MORRIS H. MARCUS} Colonel Jan 4 AGD 25 Sep 45 instead of from the correct Director [unclear] 25 Sep 45.

CERTIFIED TRUE COPY: [unclear] Nos 4, 5, 6 and 8.

b. That the OIC of the [unclear] this unit was Sgt. Morris, 1st Lt. [unclear]

E. F. FORSYTHE
E. F. FORSYTHE

1. See inclosure Nos. Inf 6 and 7.

c. That the Finance Officer in charge of preparation of the payroll, drawing of necessary funds and their disbursement was Vanstine Vixey, 1st Lt, Inf, 25, G-31917.

1. See inclosures Nos. 8, 9 and 10.

d. That a copy of [unclear] showing the correct

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC
Recovered Personnel Division
Operations Section

20 June 1946
APO 707

SUBJECT: Overpayment of Escudero Unit, Report of Investigation of.

TO : Chief, Operations Section, RPD

I - AUTHORITY:

- a. Check Sheet from Operations Section, RPD, dated 10 June 1946 appointing Peyton T. Gish Jr, 1st Lt, Cav, O-549773, as Investigating Officer.
- b. See inclosure No. 1.

II - MATTER INVESTIGATED

- a. The payment of the Escudero Unit, Terminal Date Guerrillas, by Demobilization Team #5 and Recovered Personnel Division Processing Team #13 at Sorsogon, Sorsogon during the time 20 April 1946 to 30 April 1946.
- b. See inclosures Nos. 3 and 6.

III- FACTS

- a. That 530 out of 818 men of the Escudero Unit were overpaid, having been paid from erroneous dates 9 Jan 45 to 26 Sep 45 instead of from the correct dates 25 Mar 45 to 26 Sep 45.
 1. See inclosures Nos 4, 5, 6 and 8.
- b. That the OIC of the teams paying this unit was Sage L. Morris, 1st Lt, Inf, O-1329619.
 1. See inclosures Nos. 3, 6 and 7.
- c. That the Finance Officer in charge of preparation of the payrolls, drawing of necessary funds and their disbursement was Faustino Viray, 1st Lt, Inf, PA, O-31917.
 1. See inclosures Nos. 6, 8 and 10.
- d. That a copy of AFWESPAC GSCPG 091 PI showing the correct

period of payment was in the possession of Lt Sage L. Morris.

1. See inclosures Nos. 4, 6 and 7.
- e. That Lt Faustino Viray knew of the existence of such a document as the letter of recognition and that he had been instructed to use this with the recognized roster and only this as the authority for payment.
 1. See inclosures Nos. 6, 7, 9 and 10.
- f. That Lt Viray had paid two other terminal date guerrilla organizations from 9 Jan to 26 Sep 45 prior to paying the Escudero Unit.
 1. See inclosures No. 8.
- g. That the payrolls of the Escudero Unit were not pre-audited by anyone except Lt Viray, who supervised their drafting.
 1. See inclosures Nos. 8 and 10.
- h. That the exact amount of the overpayment has not yet been determined since the Finance Section, HPA has not yet completely audited the records pertinent to the payment of the Escudero Unit, but that an estimate sets the figure at approximately P50,000 for 530 men out of 818.
 1. See inclosures Nos. 8 and 12.

IV - DISCUSSION

- a. Letter Order No. 183, GSXRP 210 formed and sent Rec Pers Proc Team 13 with Demob Team 5 to Sorsogon, Sorsogon to carry out instructions, these being the processing, demobilization and paying, including differential pay, of the Escudero Unit. Sage L. Morris, 1st Lt, Inf, AUS 0-1329619 was officer in charge and Faustino Viray, 1st Lt, Inf, PA 0-31917, was attached as Finance Officer in charge of payment.

The mission was completed 30 April 1946 and thereafter the team returned having paid 530 out of 818 EM and Os a total of P275,957.08.

The payment of this unit was to be based on AFWESPAC Letter of Recognition GSXPG 091 PI and a recognized roster of the Escudero Unit. Though these documents showing the recognition dates as 25 March 1945 to 26 Sept 1945 were in the possession of the OIC and Finance Officer, the unit was erroneously paid from 9 Jan 1945 to 25 Sept 1945. The overpayment amounted to be approximately P50,000 for 530 EM and Os.

Lt Viray denies having received the letter and states that he worked purely on the orders of Lt Morris in computing the payroll for the Escudero Unit (Incl 8). He also denies having ever seen or heard of such a letter. However, Ignacio Coloma, Capt, FS, PA Regional Finance Officer of Luzon, under whom Lt Viray works, states that Lt Viray was told of such a letter and was ordered to pay no one except on authority of such a letter or an order from HPA (Incl 10). Also a certificate of Lt Borja shows that Lt Viray did know of the existence of such a letter since he turned in to him a roster with a similar letter attached after payment of Bayside Regt (Incl 9).

VI - Lt Morris states in Incl Nos. 5 and 6 that he was verbally told to use the dates 9 Jan 45 to 26 Sep 45 by Elza E. Hopkins, 1st Lt, Inf, OIC Proc Sec, Camp Murphy but also that he had the letter in his possession. Lt Hopkins does not remember having done this (Incl 7). Whether this was done cannot be proved since no witnesses can be found to give evidence.

Lt Viray prepared the payroll on the order of Lt Morris (Incl 8) but his instructions from Capt Coloma were to do it based on the letter (Incl 10). The payroll was not pre-audited by anyone from Finance Section, HPA.

No evidence could be found that leads in any way to the belief that the overpayment was an intentional attempt to defraud the Government of the United States of America. When a complete audit of the vouchers and payrolls pertinent to this payment has been made this fact can be definitely established.

V. CONCLUSIONS

a. Overpayment of the Escudero Unit amounting to approximately P50,000 for 530 men out of 818 was made.

1. through neglect and carelessness on the part of Sage L. Morris, 1st Lt, Inf in that he failed to make proper use of his written instructions and relied upon misunderstood verbal data for the disbursement of funds by his team.

2. through carelessness on the part of Faustino Viray, 1st Lt, Inf, PA by not making certain that his payroll was based upon a letter of recognition when his instructions from the Regional Finance Officer of Luzon were to pay only on such authority.

3. through neglect on the part of Elza E. Hopkins, 1st Lt, Inf by not making certain that Lt Morris

knew exactly what dates were to be used and where to obtain them.

- 6. Source letter 4. through inefficiency of the Finance Section of HPA by not pre-auditing the payrolls of Terminal Date Guerrillas and by not requiring their Disbursing Officers to show exactly what they are drawing funds for and how they arrived at that amount.
- 7. Source letter 19. b. That the erroneous overpayment of the Escudero Unit was not an effort to defraud the US Government.
- 8. Source Station Lt, P3, PA, attached to item.
- 9. Source Station Lt, P3, PA, Regional Finance Officer

VI - RECOMMENDATIONS

- 11. Abstract of Lt Virey's Cashbook.
- 12. a. That since the overpayment of the Escudero Unit was not an attempt to defraud the Government of the United States on the part of anyone and the mistakes resulting in it are so varied, and from so many different sources that it be attributed to a general inefficiency on the part of the whole procedure of payment rather than to the individual errors of those concerned and that none of the officers or agencies concerned be held pecuniarily responsible.
- b. That corrective measures such as pre-auditing Terminal Date Guerrilla payrolls; providing a written letter to officers in charge of teams and finance officers as to exactly what they are to pay, and a general inspection with a view of improving the system of payment be made.
- c. That, since the overpayment is a matter of record and the difference in the correct and incorrect amounts paid can be computed individually for those EM and Os paid, the overpayment be collected from the Escudero Unit.

Peyton T. Gish, Jr.
 PEYTON T. GISH, JR.
 1st Lt, Cav O-539773
 Investigating Officer

12 Inclosures:

- 1. Hq AFWESPAC Check Sheet directing Lt P. T. Gish Jr. to perform this investigation.
- 2. GSXRP 110 appointing Lt Peyton T. Gish Jr Summary Court Officer.
- 3. LO 183, GSXRP 210 - Forming RPD Proc Team 13 & Demob Team #5.
- 4. GSCPG 091 PI, Ltr of Recognition of Escudero Unit.
- 5. Lt Sage L. Morris' reply by Ind for overpayment of Escudero Unit.

12 Inclosures (cont'd)

6. Sworn letter of Sage L. Morris, 1st Lt, Inf, AUS OIC Team 13. *Investigation of "Escudero Unit"*
7. Sworn letter of Elza E. Hopkins, 1st Lt, Inf, AUS w/SOP to T. D. Team Leaders.
8. Sworn Statements of Faustino Viray, 1st Lt, FS, PA, O-31917, Finance Officer attached to Team. *Cash, Jr 10 Jun 46 EFP/avg*
9. Certificate of E. F. Borja, 2d Lt, FS PA. *to investigate the*
10. Sworn Statements of Ignacio Coloma, Capt, FS, PA O-21732, Regional Finance Officer of Luzon. *Escudero Unit" (trans-*
11. Abstract of Lt Viray's Cashbook. *port to this office, in accord-*
12. Ltr fr Capt Coloma showing that abstract copies of payrolls and vouchers paying Escudero Unit have not as yet been audited. *to any overpayment of*

HENRY M. FAULKNER
Maj, PA
Chief, Oper Sec,
PA Sec, Res Pers Div

CERTIFIED TRUE COPY:

Sybil A. Gish Jr.
1st Lt. Col.

DECLASSIFIED
Authority NND 883078

R E S T R I C T E D

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC
OFFICE OF THE COMMANDING GENERAL

GSXRP 110
APO 707
7 Mar 46

GSXRP 210

SUBJECT: Orders

TO : Officers concerned.

1. The following named officers are hereby appointed Summary Court Officers for purpose of administering oaths:

1st Lt Virgus R. Cardozier	0556544	FA
1st Lt James B. Davies	0533686	CE
1st Lt Arthur F O'Keefe	0557229	Inf
1st Lt Harold B. Thulien	01038869	CWS
1st Lt David O. Wilson	0552149	Inf
1st Lt Ramon Wilson	0544727	Inf
2nd Lt Stuart M. Brecka	01334814	Inf
2nd Lt Frank D. di Cenzo	0532664	Inf
2nd Lt John V. Faraci	01597728	QMC
2nd Lt Peyton T. Giah	0549773	Cav
2nd Lt Frank E. McGinley	0557267	Cav
2nd Lt Don F. McMillian	0927442	Cav
2nd Lt Mark E. White	01332450	Inf

BY COMMAND OF LIEUTENANT GENERAL STYER:

Albert H. Stewart
ALBERT H STEWART
1st Lt, Inf
Actg Asst Adj Gen

DISTRIBUTION:

Off concerned (5)
Rec Pers Div (3)
Pers Off RPD (3)
Proc Sec, Opns Br (3)
Opns Br (10)
File (10)

R E S T R I C T E D

incl # 2

UNITED STATES ARMY FORCES WESTERN PACIFIC
Office of the Commanding General

Number 183
GSXRP
APO 707
3 April 46

GSXRP 210

SUBJECT: Orders.

TO : Off and EM Concerned.

1. Following named O (PA), asgd HPA, APO 75, dy w/Rec Pers Div, this HQ and fol nmd O & EM (PA) HPA Demobl Team #5 atchd, WP to Sorsogon, Sorsogon on TDY for purpose of carrying out instructions with Rec Pers Proc Team #13. Compl TDY ret to proper station. TDN. Gov't mtr and water trans atsd. To be atchd to Prov HQ, MPC, Sorsogon, Sorsogon for rations and quarters. No per diem while on TDY:

Maj	Lucio F Peneranda	0-47339	QMS
2d Lt	Federico de Mesa	0-46387	INF
2d Lt	Felicisimo G Fausto	0-33480	INF
1st Lt	Benjamin A Bueno	0-32796	INF
2d Lt	Francisco R Malit	0-33494	INF
2d Lt	Rufino Salamanca	0-33231	INF
2d Lt	Arcadio V Calabas	0-21326	FA
2d Lt	Antonio A Dimapindan	0-46665	INF
2d Lt	Ananias C Rubio	0-42379	INF
2d Lt	Dominador R Villarta	0-47140	INF
2d Lt	Policarpio Bautista	0-73888	INF
2d Lt	Lorenzo Arcillas	0-46410	INF

DEMOBILIZATION TEAM No 5

Maj	Jose D Estrella	0-41054	MC
Capt	Feliciano Soriano	0-35179	MC
1st Lt	Felix Macalino	0-33587	MC
Capt	Tiburecio Dela Rosa	0-44050	INF
1st Lt	Dominador V Santos	0-32361	INF
2d Lt	Cecilio de Guzman	0-35271	INF
2d Lt	Francisco L Limson	0-35253	INF
1/Sgt	Hugo O Osalla	017978	SC
1/Sgt	Crispin Gregorio	443970	INF
S/Sgt	Luisito E Claur	011325	MS
Sgt	Alejo C Layola	152803	FA
Sgt	Antonio C Taguba	152226	CE
Sgt	Pedro Requiman	228294	INF
Cpl	Cesar Blanco	010791	INF
Pfc	German Montano	452024	INF
1st Lt	Faustino C Jirad	0-31917	FS
M/Sgt	Manuel Concepcion	007237	FA

2. Following named O and EM, asgd this HQ, dy w/Rec Pers Div, WP to Sorsogon, Sorsogon on TDY for purpose of carrying out instructions with Rec Pers Proc Team #13. Compl TDY ret to proper station. TDN. Gov't motor and water trans atsd. Organic trans consisting of one (1) 2 1/2 ton trk w/trailer, one (1) 3/4 ton trk w/trailer and one (1) 1/4 ton trk w/trailer will accompany personnel on movement. To be atchd to Prov Hq, MPC, Sorsogon, Sorsogon, for rations and quarters. No per diem while on TDY.

1st Lt	Sage L Morris	0-1329619	INF
Pfc	Roland Butler	38577435	INF
Pvt	William M Chambers	38797360	INF

BY COMMAND OF LIEUTENANT GENERAL STYER:

/s/ Clifton M. Hamm
/t/ CLIFTON M. HAMM
Lt Col, AGD
Asst Adj Gen

DISTRIBUTION:

Off and EM concerned	(5)		
Prov Hq, MPC Sorsogon, Sorsogon	(3)	Proc Sec, Opns Br RPD	(3)
2d Cn Compl, Camp Murphy	(3)	Pers Off, RPD	(3)
Rec Pers Div	(10)	File	(3)
Opns Br, RPD			

CERTIFIED TRUE COPY:

*By Lt Col Clifton M. Hamm
1st Lt. Cov.*

DECLASSIFIED
Authority NND 883078

incl #3

201-20000

HEADQUARTERS

UNITED STATES ARMY FORCES WESTERN PACIFIC

GSCPG 091 PI

24 May 45
APO 707

SUBJECT: Recognition of Guerrilla Unit

TO : Chief of Staff, Philippine Army, APO 501

1. The following guerrilla unit is recognized by the Commanding General, United States Army Forces, Western Pacific, as having been an authorized element of this command from 25 March 1945 to 26 Sept. 1945.

Bn Hq, Hq Co, Serv Co &
Co's A B C, 1st Bn, Eschdero Unit

STRENGTH
818

2. Under the provisions of Executive Order No. 21, by the President of the Commonwealth of the Philippines, dated 26 Oct. 1944, the status of the member of this unit, during the period above specified, was that of officers and enlisted men of the Philippine Army.

3. It is desired that payment of this unit for the period above specified, be expedited by Finance Officers of the Philippine Army.

4. Under the Provisions of Executive Order No. 68, by the President of the Commonwealth of the Philippines, dated 26 Sept. 1945, all officers and enlisted men of this unit, other than those who are members of the Regular Force or the Reserve Force of the Philippine Army, will be considered as having been discharged from the Philippine Army as of 27 September 1945.

BY COMMAND OF LIEUTENANT GENERAL STYER:

(SGD) JOHN A. MAKSAIL

1 Incl:
Roster of Unit.

1st Lt Inf.
Asst. Adjutant General

CERTIFIED TRUE COPY:

F.H. CURESMA
Major, ACS
Asst. Adjutant General

CERTIFIED TRUE COPY:
/s/Peyton T. Gish Jr
/tPEYTON T. GISH JR
1st Lt. Cav.
O-549773

CERTIFIED TRUE COPY:

Peyton T. Gish Jr
1st Lt. Cav.
incl # 4

DECLASSIFIED
Authority NND 883078

GSXRF
201-Morris, S.L(Off)

Overpayment of TDG

FR: Opns Branch
Rec Pers Div

TO 1st Lt Sage L. Morris
Sorsogon, Sorsogon

24 May 46
EFF/gst

Subject: Processing of Escudero Unit

1. You are directed to explain by indorsement hereon why you authorized the "Escudero Unit" to be paid for the period 9 Jan 45 to 26 Sept 46.

2. The authorized dates should have been 25 Mar 45 to 26 Sept 45.

Team was formed the first part of April to process the Escudero Unit. The Processing Section consisted of 12 Filipino officers; team chief was Lt Galabar. The Demobilization Section consisted of 15 Filipino Officers and Maj. Maj Estrella was in charge of Demobilization Section. Finance Section consisted of Lt Viray and E/Sgt Concepcion. Processing Section handled all claims; Demobilization Section handled discharges, and Finance Section handled paying of claimants.

B. Instructions Received

1st Ind

1st Lt Sage L. Morris, Rec Pers Div, Hq, AFWESPAC, APO 707
1 June 46

TO: Operations Branch
Rec Pers Div

1. It was my understanding from conversations with Lt. Hopkins at Camp Murphy, that the recognition date for the "Escudero Unit" was 9 Jan 45 to 26 Sep 45, and I took written notes to that effect at that time, later referring to these notes and using them as a basis for processing and for payment.

2. I did not learn until my return to Manila upon completion of processing that the correct dates were 25 Mar 45 to 26 Sep 45.

/s/ Sage L. Morris
/t/ SAGE L. MORRIS
1st Lt Inf

CERTIFIED TRUE COPY:

Sybil L. ...
1st Lt. Col.

incl # 5

DECLASSIFIED
Authority NND 883078

RECOVERED PERSONNEL DIVISION

PROCESSING TEAM 13

Camp Murphy

13 June 1946

Subject: Processing of Escudero Unit

TO : Chief, Operations Branch, RPD

I. Forming Team

A. Personnel and duties

Team was formed the first part of April to process the Escudero Unit. The Processing Section consisted of 12 Filipino officers; team chief was Lt Calabas. The Demobilization Section consisted of 15 Filipino Officers and EM. Maj Estrella was in charge of Demobilization Section. Finance Section consisted of Lt Viray and M/Sgt Concepcion. Processing Section handled all claims; Demobilization Section handled discharges, and Finance Section handled paying of claimants.

B. Instructions Received

a. List of materials

Team received a list of materials necessary for processing from Lt Hopkins. All materials were secured prior to teams departure for Sorsogon.

b. Oral Instruction

OIC Team 13 received oral instructions from Lt Hopkins on procedure for processing, dates for processing and proper disposition of finished claims. Instructions were received from Major Faulkner on additional units to be processed and method of communication with RPD.

II. Administration of Team.

A. Organization of Team.

Lt Calabas was in charge of processing and checking of all claimants from one of the two corps of the recognized roster. Maj Estrella supervised Medical and Demobilization Sections putting Capt De la Rosa in direct charge of the Demobilization Section. Lt Viray was in charge of all Finance.

B. Instructions to Team.

Processing Sections instructions were merely to

incl #6

familiarize themselves with the terminal date type of processing. Medical and Demobilization Sections were instructed to submit lists of materials necessary for their work and were later instructed to receive claimants from the processing section, discharge them, and send them to the Finance Section to be paid. Finance Section was originally instructed to draw money from HPA to cover payment of Escudero Unit 9 Jan 45 to 26 Sep 45 and was given a copy of the recognized roster received from HPA with a letter attached, to compute amount of money necessary to draw, and to use later as reference for payment.

C. Teams Activities:
The processing Team arrived Sorsogon 20 Apr 46, starting processing 21 Apr 46. Finished Escudero Unit 30 April.

III. Relation with Headquarters

A. Contact
Only contact with RPD was by MPC Radio, in Sorsogon, Legaspi or Naga.

B. Reports
Two reports were sent to RPD from Team 13, in the form of radiograms. One was sent during processing of Escudero Unit and another was sent upon completion of processing of Escudero Unit. No reply was received on either report, so tracers were sent out on both. No reply was received on either tracer. A reply was received to the first report when the OIC returned to Legaspi by plane from Manila for the purpose of transporting the team back to Manila.

C. Inspections.
No inspections of the team were made during period 20 April 1946 to 20 May 1946.

/s/ Sage L. Morris
/t/ SAGE L. MORRIS
1st Lt, Inf
OIC, Team 13

/s/ Peyton T. Gish, Jr
/t/ PEYTON T. GISH, JR
1st Lt, Cav O-549773
Summary Court Officer

CERTIFIED TRUE COPY:

[Signature]
1st Lt. Cav.

DECLASSIFIED
Authority NND 883078

RECOVERED PERSONNEL DIVISION
OPERATION SECTION PA BRANCH
CAMP MURPHY

17 June '46

SUBJECT : PROCESSING OF Escudero Unit
TO : Chief, Operation Section PA Branch; RPD

1. Processing team 13 and Demobilization Team 5 were combined the last part of March to form Processing Unit 10-B for the purpose of processing Terminal Date Guerrillas. The processing team consisted of 12 Filipino Officers, 2 US Enlisted Men and 1 US Officer, Lt. Morris. The Demobilization Team consisted of 15 Filipino Officers and Enlisted men. A Finance section of the unit to handle the money and payment. The processing team handled the form 23 claims for back pay. The demobilization team handled the discharge papers and medical examinations. The Unit departed for Sorsogon 17 Apr'46.

2. Lt. Morris was given all available information concerning processing of Terminal Date Guerrilla during the period 1-17 April 1946 and was instructed to send his key men to Imus, Cavite to witness Processing Unit 10-A in operation. Unit 10-A was processing and paying Terminal Date Guerrilla. Lt Morris was supposed to observe this team also. Unit 10-C was processing and paying at Camp Murphy and Lt Morris was instructed to observe and have his unit personnel observe this unit in operation. Lt Morris was given written instruction on Terminal Date Processing. Lt Morris claims he was given the dates 9 Jan. to 26 Sept' 45 as the recognition dates for the Escudero Unit in an oral discussion with the undersigned at Camp Murphy. The undersigned does not recall giving such dates and can determine no reason for giving such dates. Operations Branch, RPD had posted on the bulletin board in Headquarters the recognition dates of all Terminal Date Guerrilla Units and a copy of this is held by the undersigned at Camp Murphy. Both copies have the dates 25 March to 26 Sept'45 and not unit near the Escudero Unit on the list has recognition dates beginning 9 Jan. Lt Morris was sent to HPA to pick up the recognition roster and letter duly authenticated by Maj. Concepcion of Strength and Returns Section. The recognition letter is the basis and authority for payment. This letter is sent to HPA from Guerrilla Affairs AFWESPAC. Lt Morris states he picked up the letter and roster of the letter and roster of the Escudero Unit and turned them over to Lt Viray, Finance Officer of his unit. Lt Viray was in charge of paying the Bayside Regiment Terminal Date Guerrillas at Binangonan, Rizal and helped in the payment of Terminal Date Guerrillas at Imus, Cavite before going to Sorsogon to pay the Escudero Unit. Lt. Viray knows that the recognition letter is the authority for payment as per instruction given to the undersigned by Lt. Borja, CO of 13 Finance Disbursing Section, PA. Lt. Viray is and has been assigned to 13 Finance Disbursing Section. The recognition letter contains the recognition dates for payment of Escudero Unit. The dates held by HPA and Guerrilla Affairs ar 25 Mach to 26 Sep'45.

incl #7

3. The unit was held at Camp Murphy from 2 to 3 weeks awaiting transportation to Sorsogon and departed by April '46. Transportation Corps informed Lt Carlson of Operation Branch that liason planes could not go to Sorsogon because they could not carry enough fuel, so the only means of communication with the unit was by radio, which was very unreliable. There were no boats available and no transport planes were making the trip, so that an inspection of the unit in operation would involve a trip of several days if at all possible and the actual processing and paying was to take from 5 to 10 days.

The Unit was instructed to process M.P. PA units in the Sorsogon area before returning.

Each terminal date unit in the field has a processing unit number to be placed on form 23's.

Each processing team complete a unit, the S.S. should be instructed to see Lt. Vantrone or Lt. Hopkins /s/ Elza E. Hopkins
1st Lt., Inf
R.P.D. Camp Murphy

Keep forms in 3 separate units and bring all of them to Camp Murphy. 1 form 23 with 2 med and 1 discharge form and no roster in 1 unit for M.P., 1 form 23 with 1 medical form and 1 discharge form and 1 alphabetical roster in bundles of 30 in the file copy unit. 1 form 23 and 2 rosters by affidavit No in bundles of 25 in RPD, locator unit.

Sworn before me this 18th day of June 1946. before processing unit stating that no man of his unit is charge with government property. Property must be turned in before unit can be paid. (see attached copy)

/s/ Peyton T. Gish, Jr
/t/ PEYTON T. GISH, JR
1st Lt, Cav O-549773
Summary court Officer

After completing a unit, get a copy of number of men processed and why some were not of 7 & 8 should be turned in to Cpl Yoder at that unit.

CERTIFIED TRUE COPY:

Peyton T. Gish, Jr.
1st Lt. Cav.

Finance Officer make report to Finance Officer at Camp Murphy, RPD on men placed when unit was processed.

Submit letter to Lt. Vantrone on all PA units you process in the field.

No PA or guerrillas are allowed a S.S.S. Medical Discharge by War Dept Order.

Any man medically examined and hospitalized should be completely processed and paid then giving 3 copies of medical examination with a request that man be admitted to a PA hospital signed by a medical officer and approved by yourself.

CERTIFIED TRUE COPY:

DECLASSIFIED
Authority NND 883078

ALL T. D. TEAM LEADERS

For your information:

1. Mark all file copies "DRAFT" in upper right hand corner.
 2. Keep daily record on statistical report forms available in operations office. Turn in at least weekly to Cpl Yoder. This report includes the number of terminal date guerrillas processed today and to date. Turn in all form 23's of PA units processed to Cpl Yoder at Camp Murphy. He will assign affidavit numbers.
 3. Do all the PA units in your area before returning to Camp Murphy.
 4. Each terminal date unit in the field has a processing unit number to be placed on form 23's.
 5. When processing teams complete a unit, the C.O. should be instructed to see Lt. Vantreesse or Lt. Hopkins at Cp Murphy to find out how the stragglers of his unit are to be done.
 6. Keep forms in 3 separate units and bring all of them to Cp Murphy. 1 form 23 with 2 med and 1 discharge form and no roster is 1 unit for HPA. 1 form 23 with 1 medical form and 1 discharge form and 1 alphabetical roster in bundles of 50 is the file copy unit. 2 form 23 and 2 rosters by affidavit No in bundles of 25 is RPD, locator unit.
 7. Get certificate from C.O. of Terminal Date Unit before processing unit stating that no man of his unit is charge with government property. Property must be turned in before unit can be paid. (see atchd copy)
 8. After completing a unit, get a certificate from C.O. stating number of men processed and why some were not processed. Certificates of 7 & 8 should be turned in to Cpl Yoder at Cp Murphy for the file of that unit.
 9. Bring all rosters to Cp Murphy when T. D. Unit is completed except for stragglers. Turn in to finance office at Murphy, RPD:
 10. Finance Officer of your Unit make report to Finance Officer at Camp Murphy, RPD on men missed when unit was processed.
 11. Submit letter to Lt. Rasmussen on all PA units you process in the field.
- No PA or guerrillas are allowed a C.D.D. Medical Discharge by War Dept Order.
13. Any men medically examined who need hospitalization should be completely processed and paid then giving 3 copies of medical examination with a request that man be admitted to a PA hospital signed by a medical officer and approved by yourself.

CERTIFIED TRUE COPY:

DECLASSIFIED

Authority NND 883078

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC

A - Capt Recovered Personnel Division Sorsogon with
Lt Morris. Asked how many men in unit and I told
him 800 men to be paid from 9 Jan to 26 Sep 45. 17 June 1946
He estimated it to be around P400,000. APO that 707
He gave me check for P100,000 because I had around
17 April 1946. This was all done in Imus around

SUBJECT: Sworn Statements

TO : Chief, Operations Section

1. Questions and Answers

Q - Do you swear to tell the truth, the whole truth and
nothing but the truth, So help you God?

A - Yes, sir.

Q - State your name, rank, branch of service and serial
No.

A - Faustino Viray, 1st Lt O-31917 Inf.

Q - What is your military occupation between April 1946
and June 1946?

A - Disbursing Officer, Finance Service attached RPD to
carry out instructions for payment of the Escudero Unit
Sorsogon, Sorsogon.

Q - What were your specific duties during this period?

A - To pay the Escuder Unit as they were processed.

Q - Had you any previous experience in this type of work?
If so what was it?

A - Yes with Lt Ramirez in Imus, Cavite as Disbursing Officer.

Q - What instructions were given you regarding the payment
of the Escudero Unit and by whom were they given?

A - Payment would be based from 9 Jan to 26 Sep 45 for
800 men given by Lt Sage L Morris.

On the basis of 800 men you will need around P400,000
given by Capt Coloma.

incl #8

- Q - What procedure did you go through to obtain funds for payment of this Unit?
- A - Capt Coloma told me I would go to Sorsogon with Lt Morris. Asked how many men in unit and I told him 800 men to be paid from 9 Jan to 26 Sep 45. We estimated it to be around ₱400,000. After that he gave me check for ₱100,000 because I had around ₱367,000 on hand. This was all done in Imus around 13 April 1946.
- Q - How did you estimate the amount of money necessary for the payment?
- A - Sgt Concepcion made rough estimate based on the strength of 800 men as of 9 Jan 45 to 26 Sep 45 as per my instructions.
- Q - What sort of credentials and documents did you have to show that you were authorized to draw this amount of money?
- A - None
- Q - Was your estimate checked by anyone in the Finance Section of HPA?
- A - No
- Q - How long have you been connected with the payment of Terminal Date Guerrillas?
- A - From Feb 46 until the present time.
- Q - In what manner were you connected with this work?
- A - First at Binangonan, Rizal with Lt Ramirez as agent officer of Lt Borja to pay Bayside Regt from 9 Jan 45 to 26 Sep 45. I followed instructions of Lt Ramirez. Second time at Imus, Cavite as Disbursing Officer of Lt Ramirez paying Castaneda Unit from 9 Jan 45 to 26 Sep 45. The last time with Lt Morris at Sorsogon.
- Q - What records did you keep in regard this payment?
- A - Officers' Vouchers and Enlisted Men's payroll which are abstracted to be submitted to Auditor, HPA. Also cash books which included money drawn and money paid.
- Q - What reports did you make?

- A - None except that I reported trouble in paying Escudero Unit
 A - Yes in that I found out the instructions given me resulted in
 an overpayment.
- Q - To whom did you make this?
- A - Capt Coloma about 3 June 1946.
- Q - How did you know about overpayment?
- A - From Lt Hopkins on my arrival from Sorsogon.
- Q - While working with Lt Ramirez, did you understand thoroughly
 of his activities?
- A - At Binangonan, Rizal when I came he told me that we will pay
 men upon presentation of processing paper, discharge and
 Physical examination. Then on processing paper we will require
 the men to write the name as he received the money. He was
 the one who gave the dates upon which to base payment.
- Q - Do you know where he got dates of recognition?
- A - No.
- Q - Did you see the roster that he was paying by?
- A - Yes.
- Q - Was there a letter of recognition with his roster?
- A - No.
- Q - Did you ever hear of a letter of recognition?
- A - Yes, when I returned from Sorsogon - from Lt Hopkins.
- Q - In other words in all the time you were working with Terminal
 Date Guerrillas you never heard of a letter of recognition ac-
 companying a recognized roster of TDY to be paid until you
 came back from Sorsogon?
- A - I never heard of this type letter.
- Q - Upon what did you base your operations with Escudero Unit?
- A - I followed my experience with Lt Ramirez with regard to
 manner of payment.
- Q - Did you receive any individual instructions in to be used in
 Sorsogon by anyone?

A - Capt Coloma said the procedure would be exactly the same as in Imus, at the time he gave me the money.

Q - Was the payment of the Escudero Unit the first time you had sole control of payment of TDG?

A - Yes.

Q - How did you pay the Escudero Unit?

A - We prepared the payroll based on the roster given to me by Lt Morris. Each man was properly identified by Capt Andia, S-3 of the Unit.

Q - Was this payroll pre audited by anyone?

A - We just audited it ourselves before we made payment.

Q - Did Lt Morris give you a recognized roster of the Escudero Unit?

A - He furnished me with a copy without any recognition letter.

Q - Did anyone else on the team have a copy of this roster?

A - Lt Morris had his copy.

Q - How do you know he had a copy?

A - Because before any man is processed the Asst Chief of Processing Team Lt Calabas checks first the name of the men and ranks on the roster.

Q - Did you ever see the roster that Lt Calabas had?

A - Yes.

Q - When?

A - After we were through with the work about May 18 or May 19, 1946 at Sorsogon.

Q - How much was paid to the Escudero Unit by you?

A - ₱275,957.08 for 530 men.

Q - How much was the overpayment?

A - Around P50,000.

File No. 83887 Subject: SOP "Terminal Date" Guerrilla Processing.
(1) FROM: Opns Br TO: TEAM LEADERS 15 March 1946

1. "Terminal Date Guerrilla" Units are to be processed by /s/ Faustino C. Viray
Arrears Teams working with PA Demobilization Teams /t/ FAUSTINO VIRAY
Medical and Discharge Sections. 1st Lt, Inf PA
a. Personnel of these units (except USAFFE) are O-31917
in the field at the time processing is completed.

2. Teams processing "Terminal Date Guerrilla" Units will handle
PA AGO Form #23 as previously instructed, filling in all available in-
formation as given by the units. Sworn before me this 17th day of June 1946.

a. Personnel of these Units who are USAFFE may be processed,
and claims filed thru normal channels; but it is understood that they
will not be paid until claims are adjudicated, as is the case with reg-
ular recognized Guerrilla and PA personnel.

/s/ Peyton T. Gish Jr
/t/ PEYTON T. GISH, JR
1st Lt, Cav O-54773
Summary Court Officer

3. Form #23 will be prepared in quadruplicate.
a. Distribution of copies will be the same. extra (fourth) copy will be forwarded to HPA, Terminal Date Guerrilla
Section, Camp Murphy, along with Physical Examination report and copy
of Discharge Certificate, prepared by Demobilization teams working with
Arrears Team.

CERTIFIED TRUE COPY:

b. These copies are used by HPA to prepare Service Records,
which are not being made up by field demobilization teams for Terminal
Date Guerrilla Units.

/s/ Peyton T. Gish Jr.
/t/ PEYTON T. GISH, JR.
1st Lt, Cav

4. The date of recognition will be listed
in the space provided for "Initial Payment".

5. The Date of Discharge will be indicated as the date following
the last day of the guerrilla period, as stipulated for the Unit of
which the claimant is a member.

CERTIFIED TRUE COPY:

Peyton T. Gish Jr.
1st Lt. Cav.

6. All Forms #23 for personnel in this category
(excepting USAFFE) will carry the following:
a. To be stamped or typed at the top of page 1:

HEADQUARTERS AFWESPAC
RECOVERED PERSONNEL DIVISION
Check Sheet

Do not remove from attached sheets

File No. GSXRP Subject: SOP "Terminal Date" Guerrilla Processing.
(1) FROM: Opns Br TO: TEAM LEADERS 15 March 1946

1. "Terminal Date Guerrilla" Units are to be processed by Arrears Teams working with PA Demobilization Teams, made up of Finance, Medical and Discharge Sections.

a. Personnel of these units (except USAFFE) are to be paid in the field at the time processing is completed.

2. Teams processing "Terminal Date Guerrilla" Units will handle PA AGO Form #23 as previously instructed, filling in all available information as given by claimant, with special handling as covered herein.

a. Personnel of these Units who are USAFFE may be processed, and claims filed thru normal channels; but it is understood that they will not be paid until claims are adjudicated, as is the case with regular recognized Guerrilla and PA personnel.

3. Form #23 will be prepared in quadruplicate for this personnel.

a. Distribution of copies will be the same, except that the extra (fourth) copy will be forwarded to RPD, Terminal Date Guerrilla Section, Camp Murphy, along with Physical Examination report and copy of Discharge Certificate, prepared by Demobilization teams working with Arrears Team.

b. These copies are used by HPA to prepare Service Records, which are not being made up by field demobilization teams for Terminal Date Guerrilla personnel.

4. The claimant's pay for the period of recognition will be listed in the space provided for "Initial Current Pay".

5. The Date of Discharge will be indicated as the date following the last day of the recognition period, as stipulated for the Unit of which the claimant is a member.

6. All Forms #23 for personnel in this Terminal Date category (excepting USAFFE) will carry the following:

a. To be stamped or typed at the top of page 1:

TERMINAL DATE GUERRILLA

b. To be stamped, or typed, and filled in at the bottom of page 4, with claimant's signature when paid:

RECEIVED PAYMENT OF P _____
AS CLAIMED HEREIN FOR PERIOD FROM
_____ 19__ THRU _____ 19__
SIGNED _____

7. Blocks of claim numbers will be assigned, with the prefix, "T" indicating Terminal Date Guerrilla personnel, by RPD, TDG Processing Section, Camp Murphy.

8. Certified Rosters of Terminal Date Units will be furnished by HPA for the use of Finance Teams as the basis of payments. A duplicate roster is to be retained by RPD Team Leader, showing which men have been processed and paid when Unit is finished.

a. This duplicate roster is to be delivered to RPD Terminal Date Guerrilla Processing Section, at Camp Murphy, to be used as the basis of processing and paying personnel who are unable to present themselves at the time the Unit is processed.

b. The Unit Commanding Officer will be instructed to send such personnel to Camp Murphy, with the attached certificate as identification, for processing.

- 1 Incl Certificate - - - - - H. M. F. - - - - -

DECLASSIFIED
Authority NND 883078

TO WHOM IT MAY CONCERN:

This is to certify that Lt. Viray was given the Roster with Recognition letter attached of the Bayside Regt. for the payment of this Unit. Lt. Viray knew that the recognition letter attached to the roster was necessary before payment to the Bay Side Regt. could be made.

2. Questions and Answers

Q - Do you swear to tell the truth, the whole truth and nothing but the truth, so help you God?

A - I do

/s/ E. F. Borja
2nd Lt. FS
C.O. 13th FDS.
E. F. Borja

Q - State your name, rank, branch and serial No.
A - Ignacio Borja, Capt. FS, E. F. Borja

CERTIFIED TRUE COPY: your military occupation?

A - Regional Finance Officer of Laramie

/s/ PAYTON T. GISH, JR

/t/ PAYTON T. GISH, JR

1st Lt, Cav O-549773
Summary Court Officer 1945

CERTIFIED TRUE COPY: *Payton T. Gish, Jr.*

1st Lt Cav.

Q - What procedure is followed by officers in your command when they have funds to be disbursed to terminal units?

A - They take the strength, calculate the probable amount to be disbursed based on inclusive date of recognition and amount of pay they are receiving in that amount of recognized pay.

Q - On what do they base the strength?

A - Approved roster and letters of recognition.

Q - Is Lt. Viray an authorized disbursing officer in your command?

incl #9

HEADQUARTERS

UNITED STATES ARMY FORCES WESTERN PACIFIC

Recovered Personnel Division

Operations Section

18 June 1946

AF O 707

SUBJECT: Sworn Statements

TO : Chief, Operations Section

1. Questions and Answers

Q - Do you swear to tell the truth, the whole truth and nothing but the truth, so help you God?

A - I do.

Q - State your name, rank, branch of service and serial No.

A - Ignacio Coloma, Capt. FS, PA O-21732.

Q - What is your military occupation?

A - Regional Finance Officer of Luzon.

Q - How long have you been so occupied?

A - Since August 1945.

Q - What are your duties in connection with the payment of terminal date guerrillas?

A - I have supervision and technical control of all finance officers assigned under me.

Q - What procedure is followed by officers in your command when they draw funds from payment to terminal date guerrillas?

A - They take the strength, calculate the probable payment to be made based on inclusive date of recognition and amount of salary due according to rank shown on recognized roster.

Q - On what do they base the strength?

A - Approved roster and letter of recognition.

Q - Is Lt Faustine Viray an authorized disbursing officer in your command?

A - Yes.

DECLASSIFIED
Authority NND 883078

w l #10

Q - In the payment of Terminal Date Guerrillas do the Disbursing Officers themselves prepare a payroll from which to pay, based on a letter of recognition and a recognized roster?

A - Regulations provide that the unit concerned prepare payrolls for EM and officers themselves prepare their vouchers. However we have found this impractical with Guerrillas so the Finance Officer either supervise or prepare the payrolls.

Q - Are the payrolls audited by HPA or any other agency or person other than the officer before payment is made?

A - No.

Q - Did Lt Faustino Viray ever prepare a payroll for TDG?

A - I do not know.

Q - When Lt Viray went to Sorsogon to pay the Escudero Unit did he receive any instructions about the payment from you?

A - Yes.

Q - What were they?

A - That the unit to be paid is a TDG outfit and that the procedure of payment, in general, is similar to that of other Terminal Date Guerrillas, payment of which he has already seen in Binangonan and Imus and that he must procure sufficient funds for his official requirements. He was directed to estimate the amount of funds he needed which he complied with.

Q - Did you tell him how to make that estimate?

A - Yes.

Q - What did you tell him?

A - Estimate to be based on approved strength, which he could secure from Adjutant General, inclusive date of recognition and probable amount of differential of pay due EM concerned.

Q - Did you at any time leave with him the impression that the dates of payment were 9 Jan 1945 to 26 Sept 1945 for the Escudero Unit?

A - No.

Q - Have you any reason to believe that Lt Viray know of the existence of a letter of recognition as well as a recognized roster?

APG 73

A - Yes.

17 June 1946

Q - Why ?

A - Because approval of rosters cannot be had without letter of recognition and in fact before any guerrilla outfit is paid there must be at least two things satisfied. First, letter of Recognition and second, approved Roster.

PAGE 296

I always assumed him to know this because whenever I see him before he went to Gorsegon I always inquired if he has any question and I remember he told me none.

25 Feb.
27 "
3 Mar

Q - Do you know of any instruction in the payment of Terminal Date Guerrillas that Lt Faustine Viray received?

11 Mar
12 Mar
13 Mar

A - I have verbally instructed Lt Virray that terminal date guerrillas are not to be paid except for the inclusive dates of recognition as shown on the AFWESPAC letter of Recognition or an order from HPA. Under no other circumstances are they to be paid.

26 Mar
13 Apr

18 Mar.
18 Mar.
15 Apr.
15 Apr.
20 May
30 May
30 May
4 Jun

Payrolls & Payvouchers turned to Lt. Barja
Cash turned to Lt. Barja
Abstract # 1
Abstract # 2
Abstract # 3 (Macadera Unit)
Sworn before me this 19th day of June 1946.
Abstract # 4
Check transferred to Capt Denton
TOTAL ----- \$1,330,000.
BALANCE -----

/s/ Ignacio Coloma
/t/ IGNACIO COLOMA
Capt, FS - PA
O-21732

/s/ Peyton T. Gish, Jr
/t/ PEYTON T. GISH, JR
Summary Court Officer

I hereby certify on my official oath that this Statement

CERTIFIED TRUE COPY:

*Peyton T. Gish Jr
1st Lt. Col.*

/s/ Faustino G. Viray
/t/ FAUSTINO G VIRAY
1st Lieut., FS

CERTIFIED TRUE COPY

*Peyton T. Gish Jr
1st Lt. Col.*

DECLASSIFIED
Authority NNT 883078

COMMONWEALTH OF THE PHILIPPINES
ARMY HEADQUARTERS
APO 75

17 June 1946

STATEMENT CASH ACCOUNTABILITY & DISBURSEMENT

<u>DATE</u> 1946	<u>SOURCE</u>	<u>DEBIT</u>	<u>CREDIT</u>
26 Feb.	Cash Adv fr Capt M. Jante	₱100,000.00	
27 "	Cash Adv fr Lt. E.	100,000.00	
5 Mar	Cash Adv fr Lt. E. Borja	100,000.00	
11 Mar	Cash Adv fr Lt. E. Borja	200,000.00	
11 Mar	Cash Adv fr Capt. M Jante	30,000.00	
11 Mar	Checks, TW (2) @ ₱100,000.00 each	200,000.00	
28 Mar	Checks, TW, #20,943-20,946 @ ₱100,000.00 (4) each	400,000.00	
13 Apr	Check TW #29,803 @ ₱100,000. 00 each	<u>100,000.00</u>	
18 Mar.	Payrolls & Payvouchers turned to Lt. Borja		₱346,705.30
18 Mar.	Cash turned to Lt. Borja		53,294.70
15 Apr.	Abstract # 1		160,687.76
15 Apr.	Abstract # 2		201,978.70
30 May	Abstract # 3 (Escudero Unit)		150,320.88
30 May	Abstract # 4 (" ")		35,856.23
30 May	Abstract # 5		<u>100,891.13</u>
6 Jun	TW Check transferred to Capt Santos		<u>100,000.00</u>
	TOTAL - - - - -	₱1,230,000.00	₱1,149,734.70
	BALANCE - - - - -		80,265.30
		<u>₱1,230,000.00</u>	<u>₱1,230,000.00</u>

I hereby certify on my official oath that this Statement of Cash Accountability and Disbursements is certified true copy from my cash book.

/s/ Faustino C. Viray
/t/ FAUSTINO C VIRAY
1st Lieut., FS

CERTIFIED TRUE COPY:

*By Lt. J. G. ...
1st Lt. ...*
incl # //

DECLASSIFIED
Authority NNT 883078

COMMONWEALTH OF THE PHILIPPINES
ARMY HEADQUARTERS
FINANCE SERVICE
APO 75

Office of the Regional Finance Officer - Luzon

19 June 1946

MEMORANDUM
ALL CONCERNED

1. Pars. 2 and 3 of ltr, Auditor of the Philippine Army, dtd 14 June 46 are quoted hereunder for your information and immediate compliance:

"2. Our records also show that the following Finance Officers show debit balances in their respective accounts for the months of March and April 1946 without submitting their abstracts of disbursements to this Office from the time they were appointed Disbursing Officers to this date:

- 562582
1. Lt. J. R. Reyes, FA 22nd FDS - JVA - ₱ 1,700,000.00
 2. Capt. L. P. Salvador, FS, 14th FDS - JVA - 563249 - ₱ 500,000.00
 3. Lt. F. C. Viray, FS, 1st FDS - JVA-563249- 830,000.00

"3. Request that a reconciliation of the accounts of the Finance Officers mentioned in Par. 1 be made by each Finance Officer concerned so that the necessary adjustments and entries can be made in the books of this Office before 30 June 1946. It is possible that several invoices and transfers of funds have not been forwarded to this Office for entry to the accounts of these Finance Officers and it is time that such matters be investigated before the books are finally closed."

2. Explanation is desired why your abstract of subvoucher have not yet been submitted.

3. It is further desired that his Office be inform why you advance account should not now be closed, considering that there is no movement as evidenced by the records.

COPY FURNISHED:
The Chief, Finance Service

/s/ Ignacio Coloma
/t/ IGNACIO COLOMA
Captain, FS
Regional Finance Officer

CERTIFIED TRUE COPY:

/s/ Peyton T. Gish, Jr
/t/ PEYTON T. GISH, JR
1st Lt, Cav

CERTIFIED TRUE COPY:

*Peyton T. Gish, Jr
1st Lt. Cav*

DECLASSIFIED
Authority NND 883078

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC
Recovered Personnel Division

MEMO/AVE

OSXNP

26 June 1946
APO 707

SUBJECT: Illegal disbursement of funds.

TO : Chief of Staff, Philippine Army, APO 75

1. The attached report of investigation with inclosures is for your information and appropriate action.

2. It is recommended that additional investigation be made by Headquarters, Philippine Army and that Lt Visey be tried by a General Court Martial for his apparent negligence of duty and disbursement of Government Funds without proper authority.

BY COMMAND OF LIEUTENANT GENERAL STEWART

1 Incl - Report of Investigation
with 12 inclosures.

MORRIS W. MARCUS
Colonel, AGO
Asst Adj Gen

DECLASSIFIED
Authority NND 883078

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC
Recovered Personnel Division

HMF/avg

GSXRP

26 June 1946
APO 707

SUBJECT: Illegal disbursement of funds.

TO : Chief of Staff, Philippine Army, APO 75

1. The attached report of investigation with inclosures is for your information and appropriate action.

2. It is recommended that additional investigation be made by Headquarters, Philippine Army and that Lt Viray be tried by a General Court Martial for his apparent negligence of duty and disbursement of Government Funds without proper authority.

BY COMMAND OF LIEUTENANT GENERAL STYER:

1 Incl - Report of Investigation
with 12 inclosures.

MORRIS H. MARCUS
Colonel, AGD
Asst Adj Gen

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC
Recovered Personnel Division

HMF/avg

GSXRP

26 June 1946
APO 707

SUBJECT: Illegal disbursement of funds.

TO : Chief of Staff, Philippine Army, APO 75

1. The attached report of investigation with inclosures is for your information and appropriate action.

2. It is recommended that additional investigation be made by Headquarters, Philippine Army and that Lt Viray be tried by a General Court Martial for his apparent negligence of duty and disbursement of Government Funds without proper authority.

BY COMMAND OF LIEUTENANT GENERAL STYER:

1 Incl - Report of Investigation
with 12 inclosures.

MORRIS H. MARCUS
Colonel, AGD
Asst Adj Gen

DECLASSIFIED
Authority NNT 883078

RPD Comeback

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC
Recovered Personnel Division

HMF/avg

26 June 1946
APO 707

GSXRP

SUBJECT: Illegal disbursement of funds.

TO : Chief of Staff, Philippine Army, APO 75

1. The attached report of investigation with inclosures is for your information and appropriate action.

2. It is recommended that additional investigation be made by Headquarters, Philippine Army and that Lt Viray be tried by a General Court Martial for his apparent negligence of duty and disbursement of Government Funds without proper authority.

BY COMMAND OF LIEUTENANT GENERAL STYER:

MORRIS H. MARCUS
Colonel, AGD
Asst Adj Gen

1 Incl - Report of Investigation
with 12 inclosures.

Opns Sec File

CONFIDENTIAL

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC
OFFICE OF THE COMMANDING GENERAL

File of Records APO 70728
11 July 1946

Honorable Paul V. McNutt
United States Ambassador to the Republic of the Philippines
Manila

Dear Ambassador McNutt:

About 25 May 1946, it was discovered by this headquarters that approximately fifty thousand pesos had been paid erroneously to the Escudero Guerrilla Unit, a properly recognized element of the Philippine Army. Payment was made by a Philippine Army Finance Officer from funds made available from the United States appropriation known as "Expenses, Army of the Philippines."

On 10 June 1946 an officer of this headquarters was directed to investigate these erroneous payments and render a written report concerning same. A copy of this directive is attached as Exhibit A. The report of findings of the investigating officer is attached as Exhibit B. The fact that erroneous payments had been disbursed was established by my headquarters prior to the appointment of the investigating officer mentioned above. His concurrence in a finding that erroneous payment was made is favorably considered as being complete and accurate and sufficient for the purpose of fixing responsibility.

The personnel receiving the erroneous payments had been discharged from the Philippine Army at the time of payment. Since they are no longer under military jurisdiction, action to recover must be taken through civil law enforcement agencies.

It is now desired to bring this matter to the attention of interested Officials of the Republic of the Philippines and to initiate vigorous action to recover these erroneous payments. It is requested, therefore, that you make the necessary representations to the Government of the Republic of the Philippines with a view to causing that government to immediately initiate effective measures to recover the erroneous payments mentioned above.

My headquarters will cooperate fully with the Republic of the Philippines by making available to them all pertinent Army records.

Sincerely,

J. G. CHRISTIANSEN
Major General, USA
Commanding

CONFIDENTIAL

DECLASSIFIED
Authority NNT 883078

GSXRP

Correspondence on Escudero Guerrilla Unit
File on Escudero Guerrilla Unit

TO: Chief of Staff
FROM: Director, Rec Pers Div TO: Adjutant General
AFWESIAC, APO 707 EFF/MMM/gst
5 Jul 46

1. Transmitted herewith complete file covering the case of the overpayment of the Escudero Guerrilla Unit, Sorsogon, Sorsogon in accordance with our conference of 29 June 46.

2. Recommend that the check sheet prepared for your signature, with inclosures as stated, be referred to the Chief of Staff, AFWESIAC for appropriate action.

- 4 Incls:
 - Check Sheet: AG to C of S, AFWESIAC
 - Report of Investigating Officer
 - Memorandum for the Record
 - Ltr: CG, AFWESIAC to US Ambassador

MORRIS H. MARCUS
Col. AGC

Director, Rec Pers Div

DECLASSIFIED
Authority NNT 883078

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC
OFFICE OF THE COMMANDING GENERAL

GSX

Correspondence on Escudero Unit

Honorable Paul V. McNutt
United States
Manila

FROM: Adjutant General,
AFWESPAC, APO 707

TO: Chief of Staff
AFWESPAC, APO 707

5 July 1946
EVF/MMH/JJG/gst

Dear Ambassador McNutt:

1. About 25 May 46 the Recovered Personnel Division of my office discovered that the Escudero Guerrilla Unit, Sorsogon, Sorsogon, had, apparently, been erroneously overpaid in the amount of approximately \$ 50,000 by a Philippine Army Finance Officer who was a member of the demobilization team processing the unit. This was available from the United States appropriation known as "Expenses, Army of the Philippines."

2. The Finance Officer could not be contacted nor his records examined until his return to Manila about 10 June 46, at which time an officer was appointed to investigate and render a written report on the apparent overpayment. The report of the investigating officer is transmitted as Incl #1.

3. On 29 June 46 G-3, PA (Colonel Kreuter) the Director, Recovered Personnel Division (Colonel Marcus) and myself in conference, decided that an attempt be made to recover the overpayment as in a previous case and that the AUS officer in charge of the team be given an official reprimand. Record Memorandum of this decision is transmitted as Incl #2.

4. In keeping with 3, above, a letter to the Honorable Paul V. McNutt United States Ambassador to the Republic of the Philippines has been prepared for signature of the Commanding General, AFWESPAC and is transmitted as Incl #3.

5. Request that appropriate actions be taken to settle this case as indicated above and in inclosures hereto. Government of the Republic of the Philippines with a view to causing that government to immediately initiate effective measures to recover the erroneous payments mentioned above.

3 Incls:

As stated above.

J. J. GERHARDT

Colonel AGD

Adjutant General

Sincerely,

W. D. STYER
Lieutenant General, U. S. Army
Commanding

DOWNGRADED AT GREAT BAY
DECLASSIFIED BY 127

DECLASSIFIED
Authority NND 883078

True copy
[Signature]

~~CONFIDENTIAL~~

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC
OFFICE OF THE COMMANDING GENERAL

APO 707

Honorable Paul V. McNutt
United States Ambassador to the Republic of the Philippines
Manila

Dear Ambassador McNutt:

About 25 May 1946, it was discovered by this headquarters that approximately fifty thousand pesos had been paid erroneously to the Escudero Guerrilla Unit, a properly recognized element of the Philippine Army. Payment was made by a Philippine Army Finance Officer from funds made available from the United States appropriation known as "Expenses, Army of the Philippines."

On 10 June 1946 an officer of this headquarters was directed to investigate these erroneous payments and render a written report concerning same. A copy of this directive is attached as Exhibit A. The report of findings of the investigating officer is attached as Exhibit B. The fact that erroneous payments had been disbursed was established by my headquarters prior to the appointment of the investigating officer mentioned above. His concurrence in a finding that erroneous payment was made is favorably considered as being complete and accurate and sufficient for the purpose of fixing responsibility.

The personnel receiving the erroneous payments had been discharged from the Philippine Army at the time of payment. Since they are no longer under military jurisdiction, action to recover must be taken through civil law enforcement agencies.

It is now desired to bring this matter to the attention of interested Officials of the Republic of the Philippines and to initiate vigorous action to recover these erroneous payments. It is requested, therefore, that you make the necessary representations to the Government of the Republic of the Philippines with a view to causing that government to immediately initiate effective measures to recover the erroneous payments mentioned above.

My headquarters will cooperate fully with the Republic of the Philippines by making available to them all pertinent Army records.

Sincerely,

W. D. STYER
Lieutenant General, U. S. Army
Commanding

DOWNGRADED AT 3-YEAR INTERVALS
DECLASSIFIED AFTER 12 YEARS
DOD DIR 5200.10

a true copy
Erwin F. Forsythe
ERWIN F. FORSYTHE
CAPT., INF.

~~CONFIDENTIAL~~

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC
RECOVERED PERSONNEL DIVISION

APO 707
29 June 1946

SUBJECT: Over-payment of Escudero Guerrilla Force

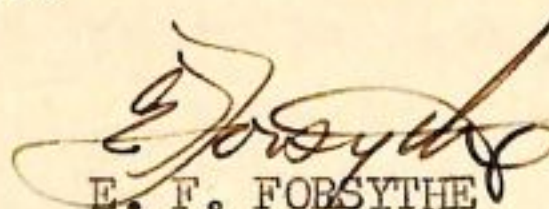
MEMORANDUM FOR THE RECORD:

In a conference with the Adjutant General, AFWESPAC (Colonel Gerhardt) and G-3, PA (Colonel Kreuter) this date, it was determined that the investigation of this case made by Recovered Personnel Division was sufficient to establish the facts. It was further decided that the proper method of handling this case from now on is to prepare a letter from General Styer's office to the High Commissioner, calling attention to the facts of the case and requesting necessary action be taken to collect the overpayment of funds from the individuals concerned. It was decided also that Lieutenant Morris should be given an administrative reprimand for his apparent laxity in supervising the affairs of his terminal date team.

Recovered Personnel Division as directed to take the necessary action as above outlined.

/s/ Morris H. Marcus
/t/ MORRIS H. MARCUS
Colonel AGD
Director

CERTIFIED TRUE COPY:


E. F. FORSYTHE
Capt, Inf

DECLASSIFIED
Authority NND 883078

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC
Recovered Personnel Division
Operations Section

20 June 1946
APO 707

SUBJECT: Overpayment of Escudero Unit, Report of Investigation of.

TO : Chief, Operations Section, RPD

I - AUTHORITY:

- a. Check Sheet from Operations Section, RPD, dated 10 June 1946 appointing Peyton T. Gish Jr, 1st Lt, Cav, O-549773, as Investigating Officer.
- b. See inclosure No. 1.

II - MATTER INVESTIGATED

- a. The payment of the Escudero Unit, Terminal Date Guerrillas, by Demobilization Team #5 and Recovered Personnel Division Processing Team #13 at Sorsogon, Sorsogon during the time 20 April 1946 to 30 April 1946.
- b. See inclosures Nos. 3 and 6.

III- FACTS

- a. That 530 out of 818 men of the Escudero Unit were overpaid, having been paid from erroneous dates 9 Jan 45 to 26 Sep 45 instead of from the correct dates 25 Mar 45 to 26 Sep 45.
 1. See inclosures Nos 4, 5, 6 and 8.
- b. That the OIC of the teams paying this unit was Sage L. Morris, 1st Lt, Inf, O-1329619.
 1. See inclosures Nos. 3, 6 and 7.
- c. That the Finance Officer in charge of preparation of the payrolls, drawing of necessary funds and their disbursement was Faustino Viray, 1st Lt, Inf, PA, O-31917.
 1. See inclosures Nos. 6, 8 and 10.
- d. That a copy of AFWESPAC GSCPG 091 PI showing the correct

DECLASSIFIED
Authority NND 883078

period of payment was in the possession of Lt Sage L. Morris.

1. See inclosures Nos. 4, 6 and 7.

e. That Lt Faustino Viray knew of the existence of such a document as the letter of recognition and that he had been instructed to use this with the recognized roster and only this as the authority for payment.

1. See inclosures Nos. 6, 7, 9 and 10.

f. That Lt Viray had paid two other terminal date guerrilla organizations from 9 Jan to 26 Sep 45 prior to paying the Escudero Unit.

1. See inclosures No. 8.

g. That the payrolls of the Escudero Unit were not pre-audited by anyone except Lt Viray, who supervised their drafting.

1. See inclosures Nos. 8 and 10.

h. That the exact amount of the overpayment has not yet been determined since the Finance Section, HPA has not yet completely audited the records pertinent to the payment of the Escudero Unit, but that an estimate sets the figure at approximately P50,000 for 530 men out of 818.

1. See inclosures Nos. 8 and 12.

IV - DISCUSSION

a. Letter Order No. 183, GSXRP 210 formed and sent Rec Pers Proc Team 13 with Demob Team 5 to Sorsogon, Sorsogon to carry out instructions, these being the processing, demobilization and paying, including differential pay, of the Escudero Unit. Sage L. Morris, 1st Lt, Inf, AUS 0-1329619 was officer in charge and Faustino Viray, 1st Lt, Inf, PA 0-31917, was attached as Finance Officer in charge of payment.

The mission was completed 30 April 1946 and thereafter the team returned having paid 530 out of 818 EM and Os a total of P275,957.08.

The payment of this unit was to be based on AFWESPAC Letter of Recognition GSXPG 091 PI and a recognized roster of the Escudero Unit. Though these documents showing the recognition dates as 25 March 1945 to 26 Sept 1945 were in the possession of the OIC and Finance Officer, the unit was erroneously paid from 9 Jan 1945 to 25 Sept 1945. The overpayment amounted to be approximately P50,000 for 530 EM and Os.

Lt Viray denies having received the letter and states that he worked purely on the orders of Lt Morris in computing the payroll for the Escudero Unit (Incl 8). He also denies having ever seen or heard of such a letter. However, Ignacio Coloma, Capt, FS, PA Regional Finance Officer of Luzon, under whom Lt Viray works, states that Lt Viray was told of such a letter and was ordered to pay no one except on authority of such a letter or an order from HPA (Incl 10). Also a certificate of Lt Borja shows that Lt Viray did know of the existence of such a letter since he turned in to him a roster with a similar letter attached after payment of Bayside Regt (Incl 9).

Lt Morris states in Incl Nos. 5 and 6 that he was verbally told to use the dates 9 Jan 45 to 26 Sep 45 by Elza E. Hopkins, 1st Lt, Inf, OIC Proc Sec, Camp Murphy but also that he had the letter in his possession. Lt Hopkins does not remember having done this (Incl 7). Whether this was done cannot be proved since no witnesses can be found to give evidence.

Lt Viray prepared the payroll on the order of Lt Morris (Incl 8) but his instructions from Capt Coloma were to do it based on the letter (Incl 10). The payroll was not pre-audited by anyone from Finance Section, HPA.

No evidence could be found that leads in any way to the belief that the overpayment was an intentional attempt to defraud the Government of the United States of America. When a complete audit of the vouchers and payrolls pertinent to this payment has been made this fact can be definitely established.

V. CONCLUSIONS

- a. Overpayment of the Escudero Unit amounting to approximately P50,000 for 530 men out of 818 was made.
 1. through neglect and carelessness on the part of Sage L. Morris, 1st Lt, Inf in that he failed to make proper use of his written instructions and relied upon misunderstood verbal data for the disbursement of funds by his team.
 2. through carelessness on the part of Faustino Viray, 1st Lt, Inf, PA by not making certain that his payroll was based upon a letter of recognition when his instructions from the Regional Finance Officer of Luzon were to pay only on such authority.
 3. through neglect on the part of Elza E. Hopkins, 1st Lt, Inf by not making certain that Lt Morris

DECLASSIFIED
Authority NND 883078

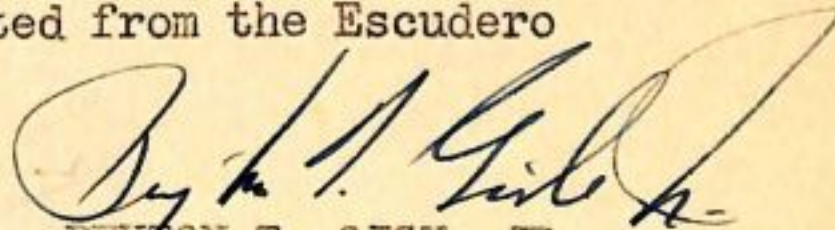
knew exactly what dates were to be used and where to obtain them.

4. through inefficiency of the Finance Section of HPA by not pre-auditing the payrolls of Terminal Date Guerrillas and by not requiring their Disbursing Officers to show exactly what they are drawing funds for and how they arrived at that amount.

- b. That the erroneous overpayment of the Escudero Unit was not an effort to defraud the US Government.

VI - RECOMMENDATIONS

- a. That since the overpayment of the Escudero Unit was not an attempt to defraud the Government of the United States on the part of anyone and the mistakes resulting in it are so varied and from so many different sources that it be attributed to a general inefficiency on the part of the whole procedure of payment rather than to the individual errors of those concerned and that none of the officers or agencies concerned be held pecuniarily responsible.
- b. That corrective measures such as pre-auditing Terminal Date Guerrilla payrolls; providing a written letter to officers in charge of teams and finance officers as to exactly what they are to pay, and a general inspection with a view of improving the system of payment be made.
- c. That, since the overpayment is a matter of record and the difference in the correct and incorrect amounts paid can be computed individually for those EM and Os paid, the overpayment be collected from the Escudero Unit.



PEYTON T. GISH, JR.
1st Lt, Cav 0-539773
Investigating Officer

12 Inclosures:

1. Hq AFWESPAC Check Sheet directing Lt P. T. Gish Jr. to perform this Investigation.
2. GSXRP 110 appointing Lt Peyton T. Gish Jr Summary Court Officer.
3. LO 183, GSXRP 210 - Forming RPD Proc Team 13 & Demob Team #5.
4. GSCPG 091 PI, Ltr of Recognition of Escudero Unit.
5. Lt Sage L. Morris' reply by Ind for overpayment of Escudero Unit.

12 Inclosures (cont'd)

6. Sworn letter of Sage L. Morris, 1st Lt, Inf, AUS OIC Team 13.
7. Sworn letter of Elza E. Hopkins, 1st Lt, Inf, AUS w/SOP to T. D. Team Leaders.
8. Sworn Statements of Faustino Viray, 1st Lt, FS, PA, 0-31917, Finance Officer attached to Team.
9. Certificate of E. F. Borja, 2d Lt, FS PA.
10. Sworn Statements of Ignacio Coloma, Capt, FS, PA 0-21732, Regional Finance Officer of Luzon.
11. Abstract of Lt Viray's Cashbook.
12. Ltr fr Capt Coloma showing that abstract copies of payrolls and vouchers paying Escudero Unit have not as yet been audited.

CERTIFIED TRUE COPY:

August P. Gierke
1st Lt. Col.

GSXRP

Investigation of "Escudero Unit"

FROM: Opns Sec, RPD TO: Lt Peyton T. Gish, Jr
0-549773

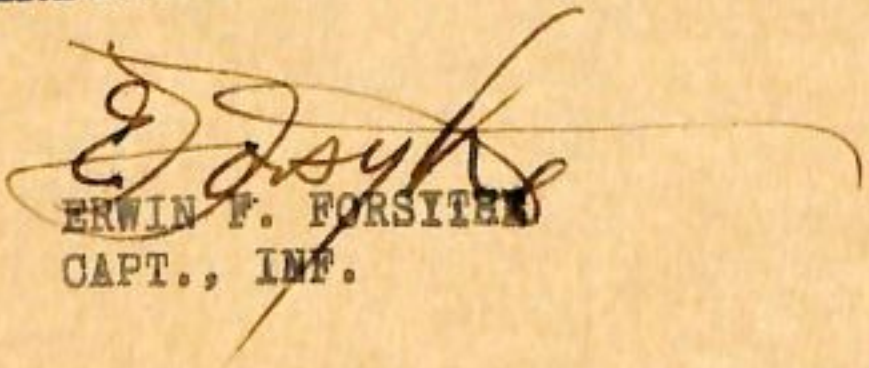
10 Jun 46
EFF/avg

1. You are hereby appointed and directed to investigate the circumstances concerning the payment of the "Escudero Unit" (terminal date guerrillas) Sorsogon, Sorsogon.

2. You will submit a written report to this office, in accordance with AR 20-30, of your findings relative to any overpayment or unauthorized disbursement of funds.

/s/ Henry M. Faulkner
/t/ HENRY M. FAULKNER
Maj, FA
Chief, Opns Sec,
PA Br, Rec Pers Div_____

CERTIFIED TRUE COPY:


ERWIN F. FORSYTHE
CAPT., INF.

DECLASSIFIED
Authority NND 883078

R E S T R I C T E D

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC
OFFICE OF THE COMMANDING GENERAL

GSXRP 110
APO 707
7 Mar 46

GSXRP 210

SUBJECT: Orders

TO : Officers concerned.

1. The following named officers are hereby appointed Summary Court Officers for purpose of administering oaths:

1st Lt Virgus R. Cardozier	0556544	FA
1st Lt James B. Davies	0533686	CE
1st Lt Arthur F O'Keefe	0557229	Inf
1st Lt Harold B. Thulien	01038869	CWS
1st Lt David O. Wilson	0552149	Inf
1st Lt Ramon Wilson	0544727	Inf
2nd Lt Stuart M. Brecka	01334814	Inf
2nd Lt Frank D. di Cenzo	0532664	Inf
2nd Lt John V. Faraci	01597728	QMC
2nd Lt Peyton T. Gish	0549773	Cav
2nd Lt Frank E. McGinley	0557267	Cav
2nd Lt Don F. McMillian	0927442	Cav
2nd Lt Mark E. White	01332450	Inf

BY COMMAND OF LIEUTENANT GENERAL STYER:

Albert H. Stewart
ALBERT H STEWART
1st Lt, Inf
Actg Asst Adj Gen

DISTRIBUTION:

Off concerned (5)
Rec Pers Div (3)
Pers Off RPD (3)
Proc Sec, Opns Br (3)
Opns Br (10)
File (10)

R E S T R I C T E D

Incl # 2

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC
Office of the Commanding General

Number 183
GSXRP
APO 707
3 April 46

GSXRP 210

SUBJECT: Orders.

TO : Off and EM Concerned.

1. Following named O (PA), asgd HPA, APO 75, dy w/Rec Pers Div, this HQ and fol nmd O & EM (PA) HPA Demobl Team #5 atchd, WP to Sorsogon, Sorsogon on TDY for purpose of carrying out instructions with Rec Pers Proc Team #13. Compl TDY ret to proper station. TDN. Gov't mtr and water trans atzd. To be atchd to Prov HQ, MPC, Sorsogon, Sorsogon for rations and quarters. No per diem while on TDY:

Maj	Lucio F Peneranda	0-47339	QMS
2d Lt	Federico de Mesa	0-46387	INF
2d Lt	Felicisimo G Fausto	0-33480	INF
1st Lt	Benjamin A Bueno	0-32796	INF
2d Lt	Francisco R Malit	0-33494	INF
2d Lt	Rufino Salamanca	0-33231	INF
2d Lt	Arcadio V Calabas	0-21326	FA
2d Lt	Antonio A Dimapindan	0-46665	INF
2d Lt	Ananias C Rubio	0-42379	INF
2d Lt	Dominador R Villarta	0-47140	INF
2d Lt	Policarpio Bautista	0-73888	INF
2d Lt	Lorenzo Arcillas	0-46410	INF

DEMOBILIZATION TEAM No 5

Maj	Jose D Estrella	0-41054	MC
Capt	Feliciano Soriano	0-35179	MC
1st Lt	Felix Macalino	0-33587	MC
Capt	Tiburcio Dela Rosa	0-44050	INF
1st Lt	Dominador V Santos	0-32361	INF
2d Lt	Cecilio de Guzman	0-35271	INF
2d Lt	Francisco L Limson	0-35253	INF
1/Sgt	Hugo O Osalla	017978	SC
1/Sgt	Crispin Gregorio	443970	INF
S/Sgt	Luisito E Claur	011325	MS
Sgt	Alejo C Layola	152803	FA
Sgt	Antonio C Taguba	152226	CE
Sgt	Pedro Requilman	228294	INF
Cpl	Cesar Blanco	010791	INF
Pfc	German Montano	452024	INF
1st Lt	Faustino C Jirad	0-31917	FS
M/Sgt	Manuel Concepcion	007237	FA

2. Following named O and EM, asgd this HQ, dy w/Rec Pers Div, WP to Sorsogon, Sorsogon on TDY for purpose of carrying out instructions with Rec Pers Proc Team #13. Compl TDY ret to proper station. TDN. Gov't motor and water trans atzd. Organic trans consisting of one (1) 2 1/2 ton trk w/trailer, one (1) 3/4 ton trk w/trailer and one (1) 1/4 ton trk w/trailer will accompany personnel on movement. To be atchd to Prov Hq, MPC, Sorsogon, Sorsogon, for rations and quarters. No per diem while on TDY.

1st Lt	Sage L Morris	0-1329619	INF
Pfc	Roland Butler	38577435	INF
Pvt	William M Chambers	38737380	INF

BY COMMAND OF LIEUTENANT GENERAL STYER:

/s/ Clifton M. Hamm
/t/ CLIFTON M. HAMM
Lt Col, AGD
Asst Adj Gen

DISTRIBUTION:

Off and EM concerned	(5)		
Prov Hq, MPC Sorsogon, Sorsogon	(3)	Proc Sec, Opns Br RPD	(3)
HQ 2nd Cp Compl, Camp Murphy	(3)	Pers Off, RPC	(3)
Rec Pers Div	(3)	Hq Comdt, RPD	(3)
Opns Br, RPD	(10)	File	(3)

CERTIFIED TRUE COPY:

210 #3 *Copy to 1st Lt. H. Cor.*

DECLASSIFIED
Authority NND 883078

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC

GSCPG 091 PI

APO 707

SUBJECT: Recognition of Guerrilla Unit

TO : Chief of Staff, Philippine Army, APO 501

1. The following guerrilla unit is recognized by the Commanding General, United States Army Forces, Western Pacific, as having been an authorized element of this command from 25 March 1945 to 26 Sept. 1945.

Bn Hq, Hq Co, Serv Co &
Co's A B C, 1st Bn, Eschdero Unit

STRENGTH
818

2. Under the provisions of Executive Order No. 21, by the President of the Commonwealth of the Philippines, dated 26 Oct. 1944, the status of the member os this unit, during the period above specified, was that of officers and enlisted men of the Philippine Army.

3. It is desired that payment of this unit for the period above specified, be expedited by Finance Officers of the Philippine Army.

4. Under the Provisions of Executive Order No. 68, by the President of the Commonwealth of the Philippines, dated 26 Sept. 1945, all officers and elisted men of this unit, other than those who are members of the Regular Force or the Reserve Force of the Philippine Army, will be considered as having been discharged from the Philippine Army as of 27 September 1945.

BY COMMAND OF LIEUTENANT GENERAL STYER:

(SGD) JOHN A. MAKSAIL

1 Incl:
Roster of Unit.

1st Lt Inf.
Asst. Adjutant General

CERTIFIED TRUE COPY:

CERTIFIED TRUE COPY:
/s/Peyton T. Gish Jr
/tPEYTON T. GISH JR
1st Lt. Cav.
O-549773

F.H. CURESMA
Major, AGS
Asst. Adjutant General

CERTIFIED TRUE COPY:

Peyton T. Gish Jr.
1st Lt. Cav.

DECLASSIFIED
Authority NND 883078

GSXRP
201-Morris, S.L(Off)

Overpayment of TDG

FR: Opns Branch
Rec Pers Div

TO 1st Lt Sage L. Morris
Sorsogon, Sorsogon

24 May 46
EFF/gst

1. You are directed to explain by indorsement hereon why you authorized the "Escudero Unit" to be paid for the period 9 Jan 45 to 26 Sept 46.

2. The authorized dates should have been 25 Mar 45 to 26 Sept 45.

----- E.F.F. -----

1st Ind

1st Lt Sage L. Morris, Rec Pers Div, Hq, AFWESPAC, APO 707
1 June 46

TO: Operations Branch
Rec Pers Div

1. It was my understanding from conversations with Lt. Hopkins at Camp Murphy, that the recognition date for the "Escudero Unit" was 9 Jan 45 to 26 Sep 45, and I took written notes to that effect at that time, later referring to these notes and using them as a basis for processing and for payment.

2. I did not learn until my return to Manila upon completion of processing that the correct dates were 25 Mar 45 to 26 Sep 45.

/s/ Sage L. Morris
/t/ SAGE L. MORRIS
1st Lt Inf

CERTIFIED TRUE COPY:

[Handwritten signature]
[Handwritten signature]
1st Lt. Cov.

DECLASSIFIED
Authority NND 883078

RECOVERED PERSONNEL DIVISION
PROCESSING TEAM 13
Camp Murphy

13 June 1946

Subject: Processing of Escudero Unit

TO : Chief, Operations Branch, RPD

I. Forming Team

A. Personnel and duties

Team was formed the first part of April to process the Escudero Unit. The Processing Section consisted of 12 Filipino officers; team chief was Lt Calabas. The Demobilization Section consisted of 15 Filipino Officers and EM. Maj Estrella was in charge of Demobilization Section. Finance Section consisted of Lt Viray and M/Sgt Concepcion. Processing Section handled all claims; Demobilization Section handled discharges, and Finance Section handled paying of claimants.

B. Instructions Received

a. List of materials

Team received a list of materials necessary for processing from Lt Hopkins. All materials were secured prior to teams departure for Sorsogon.

b. Oral Instruction

OIC Team 13 received oral instructions from Lt Hopkins on procedure for processing, dates for processing and proper disposition of finished claims. Instructions were received from Major Faulkner an additional units to be processed and method of communication with RPD.

II. Administration of Team.

A. Organization of Team.

Lt Calabas was in charge of processing and checking of all claimants from one of the two corps of the recognized roster. Maj Estrella supervised Medical and Demobilization Sections putting Capt De la Rosa in direct charge of the Demobilization Section. Lt Viray was in charge of all Finance.

B. Instructions to Team.

Processing Sections instructions were merely to

Incl #6

DECLASSIFIED
Authority NNT 883078

familiarize themselves with the terminal date type of processing. Medical and Demobilization Sections were instructed to submit lists of materials necessary for their work and were later instructed to receive claimants from the processing section, discharge them, and send them to the Finance Section to be paid. Finance Section was originally instructed to draw money from HPA to cover payment of Escudero Unit 9 Jan 45 to 26 Sep 45 and was given a copy of the recognized roster received from HPA with a letter attached, to compute amount of money necessary to draw, and to use later as reference for payment.

C. Teams Activities:

Team arrived Sorsogon 20 Apr 46, starting processing 21 Apr 46. Finished Escudero Unit 30 April.

III. Relation with Headquarters

A. Contact

Only contact with RPD was by MPC Radio, in Sorsogon, Legaspi or Naga.

B. Reports

Two reports were sent to RPD from Team 13, in the form of radiograms. One was sent during processing of Escudero Unit and another was sent upon completion of processing of Escudero Unit. No reply was received on either report, so tracers were sent out on both. No reply was received on either tracer. A reply was received to the first report when the OIC returned to Legaspi by plane from Manila for the purpose of transporting the team back to Manila.

C. Inspections.

No inspections of the team were made during period 20 April 1946 to 20 May 1946.

/s/ Sage L. Morris
/t/ SAGE L. MORRIS
1st Lt, Inf
OIC, Team 13

Sworn before me this 18th day of June 1946.

/s/ Peyton T. Gish, Jr
/t/ PEYTON T. GISH, JR
1st Lt, Cav 0-549773
Summary Court Officer

CERTIFIED TRUE COPY:

Peyton T. Gish, Jr.
1st Lt. Cav.

DECLASSIFIED
Authority NND 883078

RECOVERED PERSONNEL DIVISION
OPERATION SECTION PA BRANCH
CAMP MURPHY

17 June '46

SUBJECT : PROCESSING OF Escudero Unit
TO : Chief, Operation Section PA Branch; RPD

1. Processing team 13 and Demobilization Team 5 were combined the last part of March to form Processing Unit 10-D for the purpose of processing Terminal Date Guerrillas. The processing team consisted of 12 Filipino Officers, 2 US Enlisted Men and 1 US Officer, Lt. Morris. The Demobilization Team consisted of 15 Filipino Officers and Enlisted men. A Finance section of the unit to handle the money and payment. The processing team handled the form 23 claims for back pay. The demobilization team handled the discharge papers and medical examinations. The Unit departed for Sorsogon 17 Apr'46.

2. Lt. Morris was given all available information concerning processing of Terminal Date Guerrilla during the period 1-17 April 1946 and was instructed to send his key men to Imus, Cavite to witness Processing Unit 10-A in operation. Unit 10-A was processing and paying Terminal Date Guerrilla. Lt Morris was supposed to observe this team also. Unit 10-C was processing and paying at Camp Murphy and Lt Morris was instructed to observe and have his unit personnel observe this unit in operation. Lt Morris was given written instruction on Terminal Date Processing. Lt Morris claims he was given the dates 9 Jan. to 26 Sept' 45 as the recognition dates for the Escudero Unit in an oral discussion with the undersigned at Camp Murphy. The undersigned does not recall giving such dates and can determine no reason for giving such dates. Operations Branch, RPD had posted on the bulletin board in Headquarters the recognition dates of all Terminal Date Guerrilla Units and a copy of this is held by the undersigned at Camp Murphy. Both copies have the dates 25 March to 26 Sept'45 and no unit near the Escudero Unit on the list has recognition dates beginning 9 Jan. Lt Morris was sent to HPA to pick up the recognition roster and letter duly authenticated by Maj. Concepcion of Strength and Returns Section. The recognition letter is the basis and authority for payment. This letter is sent to HPA from Guerrilla Affairs AFWESPAC. Lt Morris states he picked up the letter and roster of the letter and roster of the Escudero Unit and turned them over to Lt Viray, Finance Officer of his unit. Lt Viray was in charge of paying the Bayside Regiment Terminal Date Guerrillas at Binangonan, Rizal and helped in the payment of Terminal Date Guerrillas at Imus, Cavite before going to Sorsogon to pay the Escudero Unit. Lt. Viray knows that the recognition letter is the authority for payment as per instruction given to the undersigned by Lt. Borja, CO of 13 Finance Disbursing Section, PA. Lt. Viray is and has been assigned to 13 Finance Disbursing Section. The recognition letter contains the recognition dates for payment of Escudero Unit. The dates held by HPA and Guerrilla Affairs ar 25 Mach to 26 Sep'45.

Incl #7

3. The unit was held at Camp Murphy from 2 to 3 weeks awaiting transportation to Sorsogon and departed ly April'46. Transportation Corps informed Lt Carlson of Operation Branch that liason planes could not go to Sorsogon because the could not carry enough fuel, so the only means of communication with the unit was by radio, which was very unreleable. There were no boats available and no transport planes were making the trip, so that an inspection of the unit in operation would involve a trip of several days if at all possible and the actual processing and paying was to take from 5 to 10 days.

The Unit was instructed to process M.P. PA units in the Sor-sogon area before returning.

/s/ Elza E. Hopkins
1st Lt., Inf
R.P.D. Camp Murphy

Sworn before me this 18th day of June 1946.

/s/ Peyton T. Gish, Jr
/t/ PEYTON T. GISH, JR
1st Lt, Cav O-549773
Summary court Officer

CERTIFIED TRUE COPY:

Peyton T. Gish Jr
1st Lt. Cav.

ALL T. D. TEAM LEADERS

For your information:

1. Mark all file copies "DRAFT" in upper right hand corner.
2. Keep daily record on statistical report forms available in operations office. Turn in at least weekly to Cpl Yoder. This report includes the number of terminal date guerrillas processed today and to date. Turn in all form 23's of PA units processed to Cpl Yoder at Camp Murphy. He will assign affidavit numbers.
3. Do all the PA units in your area before returning to Camp Murphy.
4. Each terminal date unit in the field has a processing unit number to be placed on form 23's.
5. When processing teams complete a unit, the C.O. should be instructed to see Lt. Vantreese or Lt. Hopkins at Cp Murphy to find out how the stragglers of his unit are to be done.
6. Keep forms in 3 separate units and bring all of them to Cp Murphy. 1 form 23 with 2 med and 1 discharge form and no roster is 1 unit for HPA. 1 form 23 with 1 medical form and 1 discharge form and 1 alphabetical roster in bundles of 50 is the file copy unit. 2 form 23 and 2 rosters by affidavit No in bundles of 25 is RPD, locator unit.
7. Get certificate from C.O. of Terminal Date Unit before processing unit stating that no man of his unit is charge with government property. Property must be turned in before unit can be paid. (see atchd copy)
8. After completing a unit, get a certificate from C.O. stating number of men processed and why some were not processed. Certificates of 7 & 8 should be turned in to Cpl Yoder at Cp Murphy for the file of that unit.
9. Bring all rosters to Cp Murphy when T. D. Unit is completed except for stragglers. Turn in to finance office at Murphy, RPD:
10. Finance Officer of your Unit make report to Finance Officer at Camp Murphy, RPD on men missed when unit was processed.
11. Submit letter to Lt. Rasmussen on all PA units you process in the field.

No PA or guerrillas are allowed a C.D.D. Medical Discharge by War Dept Order.

13. Any men medically examined who need hospitalization should be completely processed and paid then giving 3 copies of medical examination with a request that man be admitted to a PA hospital signed by a medical officer and approved by yourself.

CERTIFIED TRUE COPY:

DECLASSIFIED
Authority NND 883078

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC
Recovered Personnel Division

17 June 1946
APO 707

SUBJECT: Sworn Statements

TO : Chief, Operations Section

1. Questions and Answers

Q - Do you swear to tell the truth, the whole truth and nothing but the truth, So help you God?

A - Yes, sir.

Q - State your name, rank, branch of service and serial No.

A - Faustino Viray, 1st Lt O-31917 Inf.

Q - What is your military occupation between April 1946 and June 1946?

A - Disbursing Officer, Finance Service attached RPD to carry out instructions for payment of the Escudero Unit Sorsogon, Sorsogon.

Q - What were your specific duties during this period?

A - To pay the Escuder Unit as they were processed.

Q - Had you any previous experience in this type of work? If so what was it?

A - Yes with Lt Ramirez in Imus, Cavite as Disbursing Officer.

Q - What instructions were given you regarding the payment of the Escudero Unit and by whom were they given?

A - Payment would be based from 9 Jan to 26 Sep 45 for 800 men given by Lt Sage L Morris.

On the basis of 800 men you will need around ₱400,000 given by Capt Coloma.

Incl 18

DECLASSIFIED
Authority NND 883078

- Q - What procedure did you go through to obtain funds for payment of this Unit?
- A - Capt Coloma told me I would go to Sorsogon with Lt Morris. Asked how many men in unit and I told him 800 men to be paid from 9 Jan to 26 Sep 45. We estimated it to be around ₱400,000. After that he gave me check for ₱100,000 because I had around ₱367,000 on hand. This was all done in Imus around 13 April 1946.
- Q - How did you estimate the amount of money necessary for the payment?
- A - Sgt Concepcion made rough estimate based on the strength of 800 men as of 9 Jan 45 to 26 Sep 45 as per my instructions.
- Q - What sort of credentials and documents did you have to show that you were authorized to draw this amount of money?
- A - None
- Q - Was your estimate checked by anyone in the Finance Section of HPA?
- A - No
- Q - How long have you been connected with the payment of Terminal Date Guerrillas?
- A - From Feb 46 until the present time.
- Q - In what manner were you connected with this work?
- A - First at Binangonan, Rizal with Lt Ramirez as agent officer of Lt Borja to pay Bayside Regt from 9 Jan 45 to 26 Sep 45. I followed instructions of Lt Ramirez. Second time at Imus, Cavite as Disbursing Officer of Lt Ramirez paying Castaneda Unit from 9 Jan 45 to 26 Sep 45. The last time with Lt Morris at Sorsogon.
- Q - What records did you keep in regard this payment?
- A - Officers' Vouchers and Enlisted Men's payroll which are abstracted to be submitted to Auditor, HPA. Also cash books which included money drawn and money paid.
- Q - What reports did you make?

A - None except that I reported trouble in paying Escudero Unit in that I found out the instructions given me resulted in an overpayment.

Q - To whom did you make this?

A - Capt Coloma about 3 June 1946.

Q - How did you know about overpayment?

A - From Lt Hopkins on my arrival from Sorsogon.

Q - While working with Lt Ramirez, did you understand thoroughly his activities?

A - At Binangonan, Rizal when I came he told me that we will pay men upon presentation of processing paper, discharge and Physical examination. Then on processing paper we will require the men to write the name as he received the money. He was the one who gave the dates upon which to base payment.

Q - Do you know where he got dates of recognition?

A - No.

Q - Did you see the roster that he was paying by?

A - Yes.

Q - Was there a letter of recognition with his roster?

A - No.

Q - Did you ever hear of a letter of recognition?

A - Yes, when I returned from Sorsogon - from Lt Hopkins.

Q - In other words in all the time you were working with Terminal Date Guerrillas you never heard of a letter of recognition accompanying a recognized roster of TDY to be paid until you came back from Sorsogon?

A - I never heard of this type letter.

Q - Upon what did you base your operations with Escudero Unit?

A - I followed my experience with Lt Ramirez with regard to manner of payment.

Q - Did you receive any individual instructions in to be used in Sorsogon by anyone?

DECLASSIFIED
Authority NND 883078

A - Capt Coloma said the procedure would be exactly the same as in Imus, at the time he gave me the money.

Q - Was the payment of the Escudero Unit the first time you had sole control of payment of TDG?

A - Yes.

Q - How did you pay the Escudero Unit?

A - We prepared the payroll based on the roster given to me by Lt Morris. Each man was properly identified by Capt Andia, S-3 of the Unit.

Q - Was this payroll pre audited by anyone?

A - We just audited it ourselves before we made payment.

Q - Did Lt Morris give you a recognized roster of the Escudero Unit?

A - He furnished me with a copy without any recognition letter.

Q - Did anyone else on the team have a copy of this roster?

A - Lt Morris had his copy.

Q - How do you know he had a copy?

A - Because before any man is processed the Asst Chief of Processing Team Lt Calabas checks first the name of the men and ranks on the roster.

Q - Did you ever see the roster that Lt Calabas had?

A - Yes.

Q - When?

A - After we were through with the work about May 18 or May 19, 1946 at Sorsogon.

Q - How much was paid to the Escudero Unit by you?

A - ₱275,957.08 for 530 men.

Q - How much was the overpayment?

A - Around P50,000.

/s/ Faustino C. Viray
/t/ FAUSTINO VIRAY
1st Lt, Inf PA
0-31917

Sworn before me this 17th day of June 1946.

/s/ Peyton T. Gish Jr
/t/ PEYTON T. GISH, JR
1st Lt, Cav 0-54773
Summary Court Officer

CERTIFIED TRUE COPY:

/s/ Peyton T. Gish Jr.
/t/ PEYTON T. GISH, JR.
1st Lt, Cav

CERTIFIED TRUE COPY:

Peyton T. Gish Jr.
1st Lt. Cav.

DECLASSIFIED
Authority NND 883078

HEADQUARTERS AFWESPAC
RECOVERED PERSONNEL DIVISION
Check Sheet

Do not remove from attached sheets

File No. GSXRP Subject: SOP "Terminal Date" Guerrilla Processing.
(1) FROM: Opns Br TO: TEAM LEADERS 15 March 1946

1. "Terminal Date Guerrilla" Units are to be processed by Arrears Teams working with PA Demobilization Teams, made up of Finance, Medical and Discharge Sections.

a. Personnel of these units (except USAFFE) are to be paid in the field at the time processing is completed.

2. Teams processing "Terminal Date Guerrilla" Units will handle PA AGO Form #23 as previously instructed, filling in all available information as given by claimant, with special handling as covered herein.

a. Personnel of these Units who are USAFFE may be processed, and claims filed thru normal channels; but it is understood that they will not be paid until claims are adjudicated, as is the case with regular recognized Guerrilla and PA personnel.

3. Form #23 will be prepared in quadruplicate for this personnel.

a. Distribution of copies will be the same, except that the extra (fourth) copy will be forwarded to RPD, Terminal Date Guerrilla Section, Camp Murphy, along with Physical Examination report and copy of Discharge Certificate, prepared by Demobilization teams working with Arrears Team.

b. These copies are used by HPA to prepare Service Records, which are not being made up by field demobilization teams for Terminal Date Guerrilla personnel.

4. The claimant's pay for the period of recognition will be listed in the space provided for "Initial Current Pay".

5. The Date of Discharge will be indicated as the date following the last day of the recognition period, as stipulated for the Unit of which the claimant is a member.

6. All Forms #23 for personnel in this Terminal Date category (excepting USAFFE) will carry the following:

a. To be stamped or typed at the top of page 1:

TERMINAL DATE GUERRILLA

b. To be stamped, or typed, and filled in at the bottom of page 4, with claimant's signature when paid:

RECEIVED PAYMENT OF P _____
AS CLAIMED HEREIN FOR PERIOD FROM
_____ 19____ THRU _____ 19____
SIGNED _____

7. Blocks of claim numbers will be assigned, with the prefix, "T" indicating Terminal Date Guerrilla personnel, by RPD, TDG Processing Section, Camp Murphy.

8. Certified Rosters of Terminal Date Units will be furnished by HPA for the use of Finance Teams as the basis of payments. A duplicate roster is to be retained by RPD Team Leader, showing which men have been processed and paid when Unit is finished.

a. This duplicate roster is to be delivered to RPD Terminal Date Guerrilla Processing Section, at Camp Murphy, to be used as the basis of processing and paying personnel who are unable to present themselves at the time the Unit is processed.

b. The Unit Commanding Officer will be instructed to send such personnel to Camp Murphy, with the attached certificate as identification, for processing.

- 1 Incl: Certificate - - - - -H. M. F.- - - - -

DECLASSIFIED
Authority NND 883078

17 June 46

TO WHOM IT MAY CONCERN:

This is to certify that Lt. Viray was given the Roster with Recognition letter attached of the Bayside Regt. for the payment of this Unit. Lt. Viray knew that the recognition letter attached to the roster was necessary before payment to the Bay Side Regt. could be made.

/s/ E. F. Borja
2nd Lt. FS
C.O. 13th FDS.
E. F. Borja

CERTIFIED TRUE COPY:

/s/ PAYTON T. GISH, JR
/t/ PAYTON T. GISH, JR
1st Lt, Cav 0-549773
Summary Court Officer

CERTIFIED TRUE COPY:

Payton T. Gish Jr.
1st Lt. Cav.

Jul #9

DECLASSIFIED
Authority NND 883078

HEADQUARTERS
UNITED STATES ARMY FORCES WESTERN PACIFIC
Recovered Personnel Division
Operations Section

18 June 1946
AF O 707

SUBJECT: Sworn Statements

TO : Chief, Operations Section

1. Questions and Answers

Q - Do you swear to tell the truth, the whole truth and nothing but the truth, so help you God?

A - I do

Q - State your name, rank, branch of service and serial No.

A - Ignacio Coloma, Capt. FS, PA 0-21732.

Q - What is your military occupation?

A - Regional Finance Officer of Luzon.

Q - How long have you been so occupied?

A - Since August 1945.

Q - What are your duties in connection with the payment of terminal date guerrillas?

A - I have supervision and technical control of all finance officers assigned under me.

Q - What procedure is followed by officers in your command when they draw funds from payment to terminal date guerrillas?

A - They take the strength, calculate the probable payment to be made based on inclusive date of recognition and amount of salary due according to rank shown on recognized roster.

Q - On what do they base the strength?

A - Approved roster and letter of recognition.

Q - Is Lt Faustino Viray an authorized disbursing officer in your command?

A - Yes.

Jul #10

DECLASSIFIED
Authority NND 883078

- Q - In the payment of Terminal Date Guerrillas do the Disbursing Officers themselves prepare a payroll from which to pay, based on a letter of recognition and a recognized roster?
- A - Regulations provide that the unit concerned prepare payrolls for EM and officers themselves prepare their vouchers. However we have found this impractical with Guerrillas so the Finance Officer either supervise or prepare the payrolls.
- Q - Are the payrolls audited by HPA or any other agency or person other than the officer before payment is made?
- A - No.
- Q - Did Lt Faustino Viray ever prepare a payroll for TDG?
- A - I do not know.
- Q - When Lt Viray went to Sorsogon to pay the Escudero Unit did he receive any instructions about the payment from you?
- A - Yes.
- Q - What were they?
- A - That the unit to be paid is a TDG outfit and that the procedure of payment, in general, is similar to that of other Terminal Date Guerrillas, payment of which he has already seen in Binangonan and Imus and that he must procure sufficient funds for his official requirements. He was directed to estimate the amount of funds he needed which he complied with.
- Q - Did you tell him how to make that estimate?
- A - Yes.
- Q - What did you tell him ?
- A - Estimate to be based on approved strength, which he could secure from Adjutant General, inclusive date of recognition and probable amount of differential of pay due EM concerned.
- Q - Did you at any time leave with him the impression that the dates of payment were 9 Jan 1945 to 26 Sept 1945 for the Escudero Unit?
- A - No.

Q - Have you any reason to believe that Lt Viray knew of the existence of a letter of recognition as well as a recognized roster?

A - Yes.

Q - Why ?

A - Because approval of rosters cannot be had without letter of recognition and in fact before any guerrilla outfit is paid there must be at least two things satisfied. First, letter of Recognition and second, approved Roster.

I always assumed him to know this because whenever I see him before he went to Sorsogon I always inquired if he has any question and I remember he told me none.

Q - Do you know of any instruction in the payment of Terminal Date Guerrillas that Lt Faustino Viray received?

A - I have verbally instructed Lt Virray that terminal date guerrillas are not to be paid except for the inclusive dates of recognition as shown on the AFWESPAC letter of Recognition or an order from HPA. Under no other circumstances are they to be paid.

/s/ Ignacio Coloma
/t/ IGNACIO COLOMA
Capt, FS FA
O-21732

Sworn before me this 18th day of June 1946.

/s/ Peyton T. Gish, Jr
/t/ PEYTON T. GISH, JR
Summary Court Officer

CERTIFIED TRUE COPY:

*Peyton T. Gish Jr.
1st Lt. Col.*

COMMONWEALTH OF THE PHILIPPINES
ARMY HEADQUARTERS
APO 75

17 June 1946

STATEMENT CASH ACCOUNTABILITY & DISBURSEMENT

<u>D A T E</u> 1946	<u>S O U R C E</u>	<u>DEBIT</u>	<u>CREDIT</u>
26 Feb.	Cash Adv fr Capt M. Jante	₱100,000.00	
27 "	Cash Adv fr Lt. E.	100,000.00	
5 Mar	Cash Adv fr Lt. E. Borja	100,000.00	
11 Mar	Cash Adv fr Lt. E. Borja	200,000.00	
11 Mar	Cash Adv fr Capt. M Jante	30,000.00	
11 Mar	Checks, TW (2) @ ₱100,000.00 each	200,000.00	
28 Mar	Checks, TW, #20,943-20,946 @ ₱100,000.00 (4) each	400,000.00	
13 Apr	Check TW #29,803 @ ₱100,000. 00 each	<u>100,000.00</u>	
18 Mar.	Payrolls & Payvouchers turned to Lt. Borja		₱346,705.30
18 Mar.	Cash turned to Lt. Borja		53,294.70
15 Apr.	Abstract # 1		160,687.76
15 Apr.	Abstract # 2		201,978.70
30 May	Abstract # 3 (Escudero Unit)		150,320.88
30 May	Abstract # 4 (" ")		35,856.23
30 May	Abstract # 5		<u>100,891.13</u>
6 Jun	TW Check transferred to Capt Santos		<u>100,000.00</u>
	T O T A L - - - - -	₱1,230,000.00	₱1,149,734.70
	BALANCE - - - - -		80,265.30
		<u>₱ 1,230,000.00</u>	<u>₱1,230,000.00</u>

I hereby certify on my official oath that this Statement of Cash Accountability and Disbursements is certified true copy from my cash book.

/s/ Faustino C. Viray
/t/ FAUSTINO C VIRAY
1st Lieut., FS

CERTIFIED TRUE COPY:

Paul A. Lich
1st Lt. Col.

DECLASSIFIED
Authority NND 883078

COMMONWEALTH OF THE PHILIPPINES
ARMY HEADQUARTERS
FINANCE SERVICE
APO 75

Office of the Regional Finance Officer - Luzon

19 June 1946

MEMORANDUM
ALL CONCERNED

1. Pars. 2 and 3 of ltr, Auditor of the Philippine Army, dtd 14 June 46 are quoted hereunder for your information and immediate compliance:

"2. Our records also show that the following Finance Officers show debit balances in their respective accounts for the months of March and April 1946 without submitting their abstracts of disbursements to this Office from the time they were appointed Disbursing Officers to this date:

- | | |
|---|----------------|
| | 562582 |
| 1. Lt. J. R. Reyes, FA 22nd FDS - JVA - | ₱ 1,700,000.00 |
| 2. Capt. L. P. Salvador, FS, 14th FDS - JVA - | 563249 - |
| | ₱ 500,000.00 |
| 3. Lt. F. C. Viray, FS, 1st FDS - JVA-563249- | 830,000.00 |

"3. Request that a reconciliation of the accounts of the Finance Officers mentioned in Par. 1 be made by each Finance Officer concerned so that the necessary adjustments and entries can be made in the books of this Office before 30 June 1946. It is possible that several invoices and transfers of funds have not been forwarded to this Office for entry to the accounts of these Finance Officers and it is time that such matters be investigated before the books are finally closed."

2. Explanation is desired why your abstract of subvoucher have not yet been submitted.

3. It is further desired that his Office be inform why you advance account should not now be closed, considering that there is no movement as evidenced by the records.

COPY FURNISHED:
The Chief, Finance Service

/s/ Ignacio Coloma
/t/ IGNACIO COLOMA
Captain, FS
Regional Finance Officer

CERTIFIED TRUE COPY:

/s/ Peyton T. Gish, Jr
/t/ PEYTON T. GISH, JR
1st Lt, Cav

CERTIFIED TRUE COPY:

DECLASSIFIED
Authority NND 883078

Confidential Matters

Chief, Opr Sec

The Director,
RPD

12 Dec 47

1. In compliance with Staff Memo #44 dtd 4 Dec 47, one (1) folder entitled "Confidential Correspondence" containing following subjects, is transmitted for safe keeping:

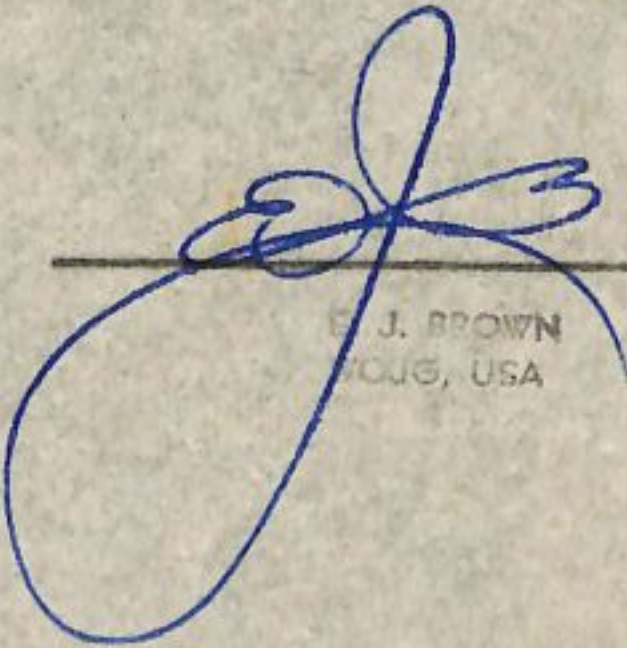
File #1 - Escudero Unit Details
File #2 - Magirog Guerrilla Unit
File #3 - Fraudulent disbursement by 26th FINANCE
DISBURSING UNIT

2. There is no other confidential matter in this section except this one.

3. Please acknowledge receipt.

E. M. D.

Receipt acknowledged.



E. J. BROWN
JOUG, USA

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

DECLASSIFIED
Authority NND 883078

Confidential corres re GRLA Units

2-2

DECLASSIFIED
Authority NND 883078

DECLASSIFIED
Authority NND 883078