

1956

CPA, 1956

American Institute of Accountants

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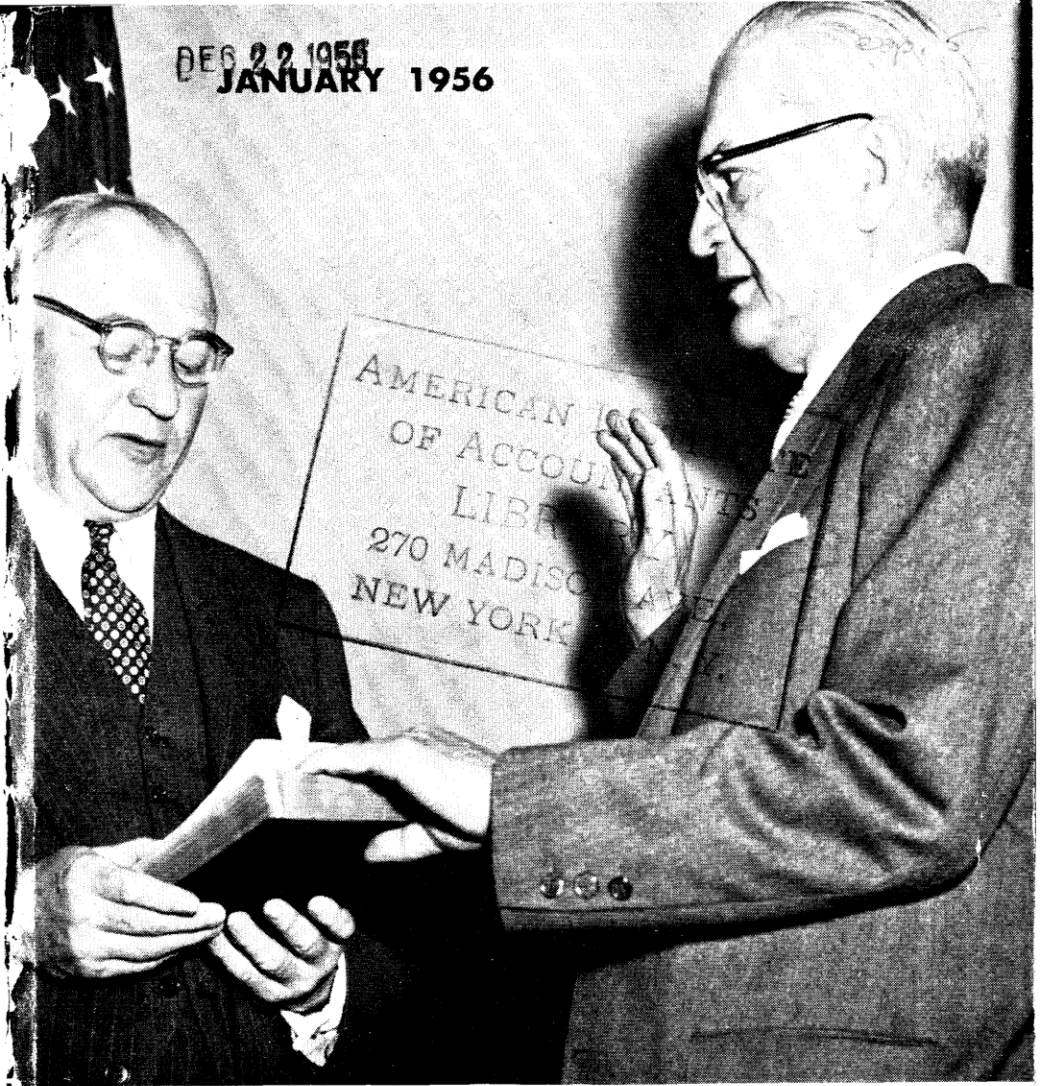
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JANUARY 1956



The CPA

MEMBERSHIP BULLETIN OF THE
AMERICAN INSTITUTE OF ACCOUNTANTS

**Russell C. Harrington
takes oath of office
as IRS Commissioner**



The CPA

Published monthly for
the membership of the
AMERICAN INSTITUTE OF ACCOUNTANTS
270 Madison Avenue
New York 16, N. Y.

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... from th

Sometimes minor irritations build up to major problems. Dean Griswold's speeches, and other recent comments by members of the bar, suggest the possibility that most lawyers are less concerned about the CPA's activity in tax practice than about occasional "lawyer-like" behavior by some CPAs.

Almost all the comments by lawyers on the *Agran* case emphasize Agran's testimony that he went into a law library and studied cases on the "question of law involved." He could just as well have read the tax services in an accounting library, and could have described the question—determination of an operating loss carryback—properly as one of tax accounting. But to the average lawyer it looked as though Agran were pretending to be qualified to deal with law.



JANUARY 1956
on the cover

Secretary of the Treasury George M. Humphrey swears in Russell C. Harrington as Commissioner of Internal Revenue. Mr. Harrington was a

member of AIA's Council for nine years and has served on several committees. He is also past president of the Rhode Island Society and the Association of CPA Examiners.



executive director's desk

The legal profession is on sounder ground in objecting to preparation of legal documents by nonlawyers—such as articles of incorporation, by-laws, contracts, leases, conveyances, indentures. It is rumored that some accountants do these things, though I have never found a specific case. It is so obviously improper that up to now it has not seemed necessary to say so (any more than to admonish CPAs not to administer medicines), but since there have been complaints recently, the Institute's ethics committee is now considering a rule on the subject.

Employment of lawyers by CPAs is looked upon with suspicion, and the ethics committee is also considering safeguards against the possibility of abuses in such circumstances.

Good relations with lawyers are important to CPAs—and we hope the reverse is also true. It is worth a lot of thought and care to avoid unnecessary irritations. Here are some things progressive accounting firms are doing:

1. Making it clear in written opinions, correspondence, even bills, that the work is being done by a firm "as accountants."
2. Insisting, preferably in writing, that drafts of provisions for inclusion in contracts, minutes, etc., be reviewed by legal counsel—as lawyers should insist that accounting provisions be reviewed by CPAs.
3. Refusing to let lawyers employed on the staff identify themselves as lawyers or render legal services to clients, and insisting that they study accounting and take the CPA exam.

JOHN L. CAREY

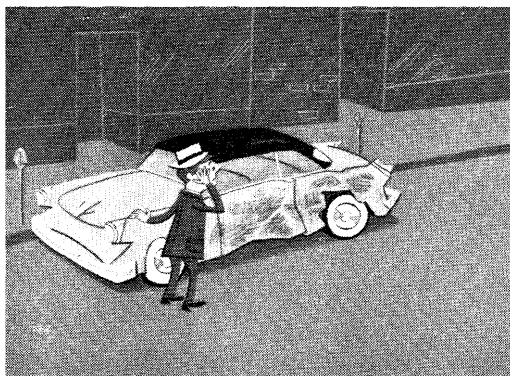


Tex and Jinx McCrary

Tax Season Program

The New Year marks the beginning of the eighth tax information program sponsored by the Institute in cooperation with state societies. Each program has broadened in coverage and contributed to public recognition of the function of CPAs in the field of taxation.

The *1956 Guide to the Tax Information Program*, together with some sample tax materials, was mailed to public relations chairmen in November. The *Guide* shows what materials are available and how they may be used. Distribution may be handled directly by state societies and chap-



round-up of the news

ters or, in the case of the newspaper series and radio and TV spots, by AIA on behalf of the societies.

The TV announcements use the cartoons shown below. They contain specific suggestions for the preparation of returns. Each announcement ends with the credit (far right) to the "National and State Organizations of Certified Public Accountants" and the Internal Revenue Service. There are both 20-second and one-minute spots, narrated by Henry Gladstone, WOR newscaster.

Tex and Jinx McCrary have recorded the one-minute radio "Tax Hints." Two-minute radio spots feature Ed Herlihy, Joe Boland ("Father Knickerbocker" on Steve Allen's TV show), Lon Clarke ("Nick Carter"), and Joyce Gordon (from the CBS radio show "My Son Jeep").

Other tax information materials:

Radio and television scripts, with suggestions for local programs.

A new pattern speech on "Keeping Your Income Tax Down," appropriate for service clubs and as a

basis for articles and scripts.

A series of eight newspaper articles on typical tax problems.

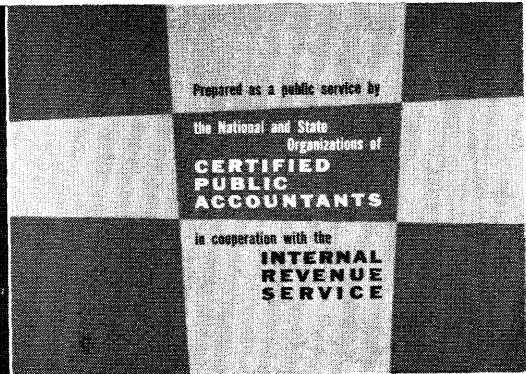
An illustrated, semihumorous article for employee publications and an article for trade magazines on small-business tax problems.

All these materials advise taxpayers to consult the IRS or a qualified professional advisor if they have questions concerning the preparation of their returns.

The distributors of the AIA tax practice film, "Helping the Taxpayer," have sent out new material to promote TV showings during the tax season. State societies are also arranging showings before service groups and on television.

Civil Service Award

AIA member Andrew Barr has been named one of ten recipients of the first Annual Career Service Awards of the National Civil Service League. He is chief accountant of the Division of Corporation Fi-



round-up of the news

Tax Practice Reprint

"The Tax Practice Problem: A Proposed Solution to the Controversy," article written by Maurice H. Stans and published in the December *Journal of Accountancy*, is available in reprint form for members to send their lawyer friends. Price of 1-10 copies is 15¢, with discounts of 10 per cent on 10-49 copies, 20 per cent on 50-99, and 30 per cent on over 100.

nance, Securities and Exchange Commission.

The winners were chosen by a select committee from over 100 nominations submitted by 33 federal government department and agency heads.

The awards were given for exemption, in an outstanding manner, of the primary characteristics of the career service: competence, efficiency, and continuity of service.

"These qualifications are possessed by Mr. Barr to a very high degree," said J. Sinclair Armstrong, chairman of the SEC, in a public statement of congratulation. He cited Mr. Barr's "fine example of public service and his important contribution to good government and the public interest."

"Service to the Commission," said Chairman Armstrong, "is only incidental to a larger service, and one of

which the public at large should be aware—that is, the very important contribution which Mr. Barr has made in the Commission's program of investor protection, particularly in the area of uniform, accurate and informative financial reporting by the nation's business corporations. The success of the Commission's accounting requirements is today reflected in part in the confidence which investors have shown in securities as an investment medium."

Short-form Test

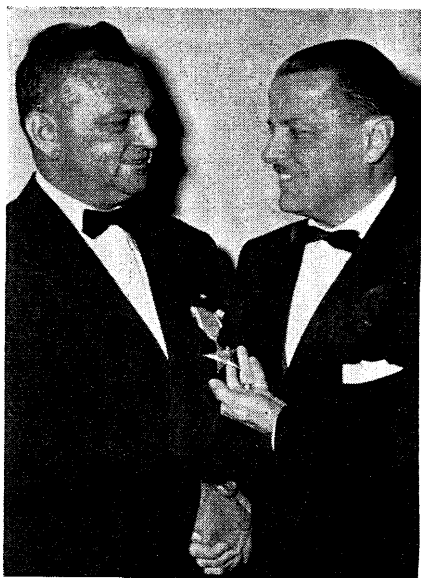
Use of the various objective tests in the AIA accounting testing program increased 25 per cent over 1954 in the fall college program, according to figures compiled by the AIA education department.

The gain was proportionately more than the over-all increase in enrollment, and indicated wider acceptance of the testing program.

A 50-minute form of the Level I Achievement Test, devised by AIA's Project Office to permit its administration within a regular class period, will be available this spring. The original Level I test requires two hours. The purpose of both is to assist in vocational guidance after the first year of college accounting and to appraise teaching methods.

Accounting Articles

Two articles prepared by the pub-



The Star of Italian Solidarity, Italy's highest civilian award, is presented to Joseph J. Linsalata (left) by Dr. Ludovico Barattieri, Italian Consul General in Philadelphia. Mr. Linsalata, honored for his work for Italian charities, is thought to be the first American CPA ever to receive the award.

lic relations department have recently been published.

The November issue of *Nation's Business* carried the first, entitled "More Firms Shift to Natural Business Year." AIA was quoted on reasons why it pays to change to the fiscal year, and a portion of the Institute's list of closing dates was reprinted.

The American Hospital Association requested the Institute to prepare "How to Select an Auditor," which appeared in the December is-

sue of *Hospitals*. Excerpts from AIA's Rules of Professional Conduct were included.

Tax Conference Book

"Tax Planning in Business Policy"—an edited transcript of questions and answers discussed at AIA's second tax conference—will be published this month in book form by the Institute.

The questions cover eleven business areas in which federal income tax problems may arise. They are answered by members of the tax committees of AIA and the New York State Society.

The answers are concrete and direct discussions of ways to meet specific revenue situations under the 1954 Code. Since the language is nontechnical and topics are conveniently indexed, practitioners may also want to send copies to clients.

Tax conference registrants will receive one gratis copy. Others may be ordered from AIA for \$2 each.

November CPA Exam

On November 10, 70 graders began to mark 33,300 uniform CPA examination papers. The papers were submitted by 45 states, the District of Columbia, Alaska, Hawaii, and Puerto Rico for the Institute's grading service.

Although the number of candi-

(continued on p. 10)

round-up of the news

dates will not be known for some time, it appears that the number of papers has dropped about five per cent compared to that of last fall. The drop belies an apparent increase caused by Pennsylvania's submission of examinations for the first time.

Last May, when four states didn't hold examinations, 27,600 papers were submitted by 42 states; and in November 1954, 32,500 papers were received from 44 states. The number of candidates for those exams was 11,913 and 9,226 respectively.

AIA Staff Anniversaries

Amy L. Garvey received a gold wristwatch from the Institute on November 25, when she completed her 25th year on the staff.

Mrs. Garvey, who has been doing credit billing, started as general assistant in the accounting department when it numbered only three people. Today there are 13. The department was located on the fourth floor of the Institute's small downtown building at 135 Cedar Street. Then, in 1930, there were only 20 on the staff and membership totaled 2,196.

In 1956 six additional staff members will celebrate important service anniversaries: James D. Bennett, purchasing agent, 35 years; Elizabeth Arliss Nicholson, assistant to the executive director, Mary Anna Heitzmann, chief telephone operator, and John L. Carey, executive director, 30 years; and Katherine I.

Michaelsen, librarian, and H. T. Winton, administrative secretary, 20 years.

Tax Assistant

Eli Gerver, CPA and attorney, has accepted the newly created position of assistant to the director of the Institute's tax department.



Mr. Gerver

Mr. Gerver majored in accounting at The College of the City of New York, graduating *cum laude* in 1947.

He became a certified public accountant in 1951.

In 1953 he was admitted to the New York State Bar, after receiving a degree of bachelor of law from New York University, and he is presently completing requirements for master of law, specializing in the field of taxation.

Mr. Gerver has had eight years' experience with public accounting firms. He is a member of the New York State Society of CPAs and the Queens County Bar Association.

Fall sales of 150,000 copies of "Please Check Your Account," AIA leaflet explaining confirmation requests, permit a discount of 20 per cent on orders of 500 or more. Otherwise \$2 a 100.

firm announcements

ALABAMA—Birmingham: J. T. McCarty, Jr., C. R. Dudley, Jr., M. O. Sims, and D. Hopton-Jones have formed McCarty, Dudley, Hopton-Jones & Sims, First National Bank Bldg. . . . Harvey L. Benjamin and J. E. Plotka have formed Benjamin and Plotka, 710-12 Brown-Marx Bldg. **Montgomery:** Crane, Jackson and Wilson has admitted J. G. Alred, William H. Crane, Evans Bates, and Frances P. Hereford to partnership in the firm.

CALIFORNIA—Oakland: Firm name of Leo B. Helzel and Company has been changed to Helzel, Rooney, Ida and Nolt. **San Francisco:** Gino P. Cecchi has opened an office at 703 Market St.

COLORADO—Denver: Robert B. Waters has been admitted as partner to Daniel, Daniel, Ennis & Co. . . . Price, Waterhouse & Co. has acquired the practice and personnel of Butterly, Burrus & Co. and opened an office in the Denver Club Bldg. **Loveland:** Bryce A. Holloway, Sr., has opened an office in Room 214, First National Bank Bldg.

CONNECTICUT—New Haven: Daniel Schmitt, Jr., has become a partner of Scovell, Wellington & Company.

DISTRICT OF COLUMBIA: Raymond H. McGivern has opened an office at 1507 M St., N.W. . . . Cecil R. Yates and Thomas E. Schumaker have formed Schumaker & Yates, Investment Bldg., 1511 K St., N.W. . . . Matthew P. Rudden has opened an office at 408 Standard Oil Bldg., 261 Constitution Ave., N.W.

FLORIDA—Tampa: R. Bob Smith has opened an office in Room 246, 308 Tampa St.

GEORGIA—Savannah: Lamar W. Davis has opened an office at 504 Realty Bldg.

IOWA—Des Moines: With the association of Maurice G. Stromwell as partner, Harrigan, Boatman & Gorgas will change its firm name to Harrigan & Company. **Marshalltown:** Practices of R. A. Wester

and Company and McGladrey, Hansen, Dunn and Company have been combined under the name of McGladrey, Hansen, Dunn and Company, Willard Bldg.

ILLINOIS—Chicago: Robert C. Holsen has been admitted to partnership in Ernst & Ernst. . . . Myron R. Hartley has opened an office at 1 N. LaSalle St. . . . Lawrence Lipkin has opened an office at 109 E. Oak St. . . . Elwin J. Goldman has been admitted to partnership in Sidney C. Sitnick & Company. . . . Firm name of Heinsimer, Berger & Company has been changed to Robert Heinsimer & Company. **Springfield:** E. Jack Thornburg has become a partner in Ralph Turnbull & Co.

KANSAS—Independence: Joseph Acre and Sinderson, Henning & Mueller have merged practices under the firm name of the latter. In Parsons the firm has opened an office at 1820 Broadway. Mervil O. Smith has been admitted as a member of the firm, with headquarters in the Kansas City office.

MASSACHUSETTS—Boston: Bernard Shuman and Jacob L. Alpert have formed Shuman and Alpert, 92 State St.

MARYLAND—Easton: Harvey S. Horsey, II, has been admitted to partnership in the firm of Granger and Faw.

MINNESOTA—St. Paul: Following the dissolution of the partnership of Fetsch & Stinchfield, Robert P. Stinchfield has opened an office in the First National Bank Bldg.

MISSOURI — Clayton: Peter Hochschild and Company, formerly located in St. Louis, has changed its firm name to Hochschild, Bloom & Co., 7933 Clayton Rd. **Kansas City:** James J. McManus has opened an office at 1318 Commerce Bldg. **North Kansas City:** Roy E. Baker and Wayne E. Thomas have formed Baker and Thomas, Suite 204, 306 Armour Rd.

MONTANA—Billings: Lowell F. Duffner, Richard J. Gardner, and Clyde P.

firm announcements

Schillinger have formed Duffner, Gardner and Schillinger, 703 Midland National Bank Bldg.

NEW YORK—Buffalo: David Reifer, Joseph L. Brock, and Alfonso C. Belanca have formed Reifer, Brock & Belanca, Ellicott Square. **New York:** George R. Smith, Barent T. Harder, Henry A. O'Hare, Ivor B. Wright, and Rudolf Rasch, Jr., have formed Smith and Harder, 100 E. 42nd St. . . . Frazer and Torbet and Crafts, Carr & Donaldson have merged practices under the firm name of Frazer and Torbet, 230 Park Ave. William R. Donaldson has withdrawn from partnership in Crafts, Carr & Donaldson, although continuing as consultant for Frazer and Torbet, and has opened an office at 230 Park Ave.

NEW JERSEY—East Orange: Bernard Sobel has opened an office in Suite 2, 614 Central Ave.

OKLAHOMA—Tulsa: John M. McNamee has opened an office at 311 Midstates Bldg.

PENNSYLVANIA — Erie: Robert F. Hauserman, William C. King, and William A. Crawford have formed Hauserman, King and Crawford, 1403 G. Daniel Baldwin Bldg. **Philadelphia:** Lybrand, Ross Bros. & Montgomery announce that the following have been admitted to membership in the firm: Harold C. Chinlund, Baltimore; Herman Stuetzer, Jr., Boston; Norman A. Bolz, Detroit; Clifford J. Code, Detroit; John J. Fox, Detroit; John C. Padgett, Detroit; Charles A. Pearson, Los Angeles.

TEXAS—Houston: W. Harry Buescher, Jr., has opened an office at 1114 Prudential Bldg. . . . With the admission of Karl D. Johnson to partnership, and the withdrawal of O. M. Blake, Jr., firm name of Winkelman, Davies and Bakke has been changed to Winkelman, Davies and Johnson.

UTAH — Salt Lake City: Joseph F. Cowley has opened an office at 1246

Gilmer Dr.

WISCONSIN — Milwaukee: Louis J. Spitz has been admitted to partnership in Alexander Grant & Company.

obituaries

Allan B. Baruck (AIA '49), 37, partner in Baruck, Weisgal & Company, Chicago, September 7.

Morris M. Beiner (AIA '41), 48, partner in H. Braverman & Co., Newark, N.J., September 30.

Raymond Ives (AIA '13), partner, Stagg, Mather & Hough, New York City, October 29.

Adam A. Jahns (AIA '46), 58, own account, Chicago, October 28.

Clarence Henry Koebbe (AIA '25), 55, partner, Ernst & Ernst, Detroit, September 19.

George T. Kearns (AIA '42), 54, secretary-treasurer and director of Kennametal Inc., Latrobe, Pa., September 25.

Edwin E. Leffler (AIA '19), 69, U. S. Government Army Chemical Corp., Washington, D.C., September 26.

Paul M. Lobaugh (AIA '48), 66, partner, Murray and Lobaugh, Oklahoma City, July 14.

John J. McGurk (AIA '54), 54, with Ernst & Ernst, New York City, October 28.

Ludvig C. Nielson (AIA '25), 75, of Nielson & Foote, Battle Creek, Mich., September 5.

Jerome H. Parker (AIA '49), 62, own account, Fort Worth, Tex., May 25.

Howard J. Sample (AIA '51), controller of Swedish Crucible Steel Co., Detroit, July 4.

Francis R. C. Steele (AIA '09), 84, retired senior partner of Patterson, Teele & Dennis, Boston, August 7.

Ralph A. Young (AIA '34), 51, treasurer, Colt's Manufacturing Company, Hartford, Conn., January 9.



Banquet scene at the West Virginia Society's annual meeting last October.

Executives' Meeting

Full-time state society executive secretaries will meet with AIA staff at the Hotel Roosevelt, New York, on January 18-20.

The meeting will include five sessions in seminar form. Invited guests include Lawrence T. Knier, executive manager, Robert Morris Associates; Mortimer J. Davis, executive vice president, New York Credit and Financial Management Association; and Roy A. Foulk, vice president, Dun & Bradstreet, Inc.

SSEA Breakfast Meeting

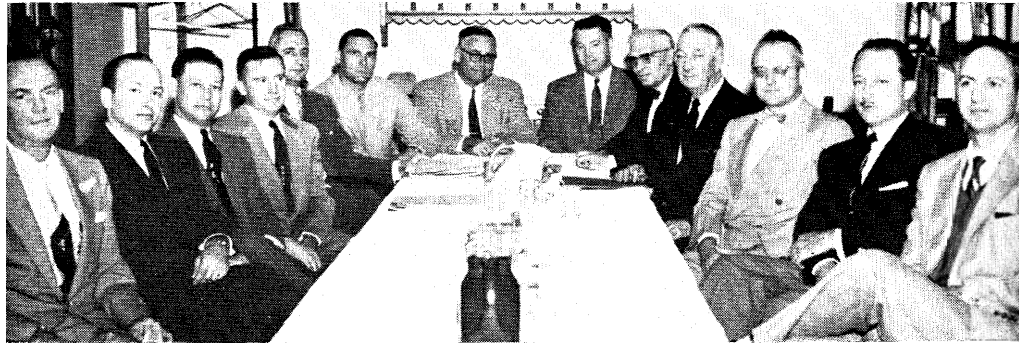
The State Society Executives Association reports that its breakfast meeting with state society officers,

which was held in Washington during the annual meeting, was attended by representatives of 40 states, Hawaii, and Puerto Rico.

Officers of the association are: chairman—F. Willard Heintzelman, Pennsylvania; vice chairman—Dan Dansby, Jr., Texas; and secretary-treasurer—Agnes Bixby, Massachusetts. (These titles were incorrectly reported in the last issue of *THE CPA*.) •

State legislation affecting the profession was discussed by Raymond E. Rickbeil, Illinois, and Maurice E. Peloubet, New York.

The section on state society management included talks on "How and When a State Society Decides to Employ an Executive," by Russel



A meeting of the Planning Council for the Mountain States Accounting Conference: (l to r) Laird A. Racey, Ariz.; Harry F. Vaupel, Jr., Colo.; Ralph R. Bartsch, Colo.; Harold V. Catt, N.M.; AIA's Melvin R. Freeman, director of state society services; Clifton E. Woodcock, N.M.; Leonard A. B. Parker, N.M.; M. C. Mundell, Wyo.; Charles M. Griffin, Utah; Willard S. Bowen, Idaho; M. Marvin Dennis, Ariz.; R. York Funston, Nev.; Frederic G. Comstock, N.M.

A. Pearson, president, Washington Society; "How to Finance a Part-time Executive Secretary's Office," by W. Keith Weltmer, executive secretary, Kansas Society; and "What Does a Full-time Executive Really Do?" by F. Willard Heintzelman, president, Pennsylvania Institute.

Manual for Chapters

A chapter operations manual has been issued by the New Jersey Society of CPAs to outline the duties of officers and committees and to offer operating suggestions to those new to chapter responsibilities.

The project was initiated by President Benjamin H. Garb upon taking office. He appointed a committee of past society and chapter presidents to prepare the manual and to amend present chapter rules and regulations

when necessary to bring them into agreement with the manual.

The first issue of the manual is in mimeographed, loose-leaf form, to permit changes dictated by use or revisions of the rules.

Woman CPA Honored

Mary Lanigar (AIA '46) was one of four "outstanding women in the business world" to be honored recently at a dinner given by the Business and Professional Women's Clubs of San Francisco.

Miss Lanigar is a partner in the San Francisco firm of Lester Herrick and Herrick. She has also served on the Institute's subcommittee on tax administration.

The other women honored at the dinner were two judges and a bank vice president.

Applicants Recommended for Membership

The committee on admissions recommends admission of 203 applicants. They do not become members until voted upon by the Council and declared elected by the president. If protest is to be made against any applicant, it should reach the Institute on or before January 15, 1956.

ALABAMA—Birmingham: Wilmer W. Hill, Thomas F. Leopard.

ARIZONA — Phoenix: Charles F. Hoenes, Jr., Lester A. Wruck.

ARKANSAS—El Dorado: William Perkins Cook.

CALIFORNIA—Arcadia: Theron Alvin Borschell. **Bakersfield:** Eugene F. Casady. **Beverly Hills:** Irving Feiger, Howard W. Rhodes. **Hollywood:** Chester Lee Firestein. **North Hollywood:** Steven M. Gold. **Los Angeles:** Cameron Evan Jackson, Yoshio George Kodama, Edwin Maurice Lamb, Fred W. Pawell, Albert Alexander Robbins, Arthur Robinson. **Modesto:** Frank Denny. **Napa:** Harold O. Erwin. **San Francisco:** John J. Cambridge, Horace E. Firth, Robert E. Gilbert, Russell Melville Palmer, Edward J. Phillippe, Donald Edward Schaefer. **San Jose:** Edwin S. Beall, Jr.

CONNECTICUT—Greenwich: Richard T. Powell. **Middletown:** J. Richard Taylor.

DELAWARE—Georgetown: Albert H. Mullins, Jr. **Wilmington:** Samuel J. London.

DISTRICT OF COLUMBIA: Moe Goldwyn, Jerome Howard Stolarow.

FLORIDA—Cocoa: Daniel R. Davies. **Fort Myers:** Charles E. Taylor, Jr. **Indian Rocks Beach:** Lloyd L. Johnson. **Miami:** Amos Johnson, Jr., Milton B. Kast, Roy P. Lund. **Orlando:** George J. Baer. **Tallahassee:** Donald Grant Allen. **GEORGIA — Atlanta:** James Alva Barnes, Drew Robinson Fuller, John H. Green. **Dalton:** Mahlon Hopkinson Chew. **Rome:** J. Bradley Haynes.

IDAHO—Twin Falls: Helen G. Cannon.

ILLINOIS—Alton: Richard C. Scheffel. **Aurora:** Melvin E. Kerr. **Chicago:** Jerome Francis Cahill, Edward T. Hayes, Jr., Norman J. Patinkin, Samuel A. Roberman, Sidney Sitnick.

INDIANA—Indianapolis: Carl E. Williams. **Terre Haute:** Christian E. Trummel.

IOWA—Des Moines: Rollin M. Dick,

John E. Knobbe.

KENTUCKY—Louisville: Mark Adams, Leroy Edward Gardner.

LOUISIANA—Baton Rouge: Robert L. Kvam. **Crowley:** Sidney Linest Broussard. **New Orleans:** Jesse H. Morris, Jr.

MAINE—Portland: Ross L. Stevens.

MARYLAND—Baltimore: Harold Sylvan Levin. **Silver Spring:** Lloyd H. Sims, William Sims.

MASSACHUSETTS — Boston: Arthur G. Carlson, Jr., George M. Dimond, William Golb, Clifton E. Helman, Edward J. Mahoney, John F. McManus.

MICHIGAN—Detroit: Harry R. Bodzin, Albert J. Bozzi, George Edw. Capen, Joseph C. Donnelly, John F. Loughlin, John B. Pohl, James Ross, Leonard Lawrence Rynski, Henry Starkman. **Grosse Pointe:** William J. Scott, Jr. **Mt. Pleasant:** Woodrow J. Eber. **Niles:** John E. Fink. **Saginaw:** James Kenneth Foulds.

MINNESOTA—Minneapolis: Richard W. Graves, Donald E. Wintz.

MISSISSIPPI—Greenwood: Thomas B. Browning, Jr., Thomas Leroy Wiggers, Jr. **Hazlehurst:** F. Andre Wise. **Laurel:** W. L. Fuller.

MISSOURI — Clayton: Harold Wm. Schaus. **Joplin:** Max Myers. **Kansas City:** Raymond R. Wilson. **St. Louis:** Marvin Blum, John E. Harrison, Jr., Charles Earl Lewis, Lewis A. Mueller, Lynn G. Phegley, James M. Younger. **Sedalia:** Shirley W. Wagner. **University City:** Wilbur Harold Silvermintz.

MONTANA — Butte: Keith McCauley. **Great Falls:** Oscar Francis Lindstrom.

NEBRASKA—Omaha: Hazel E. Haining. **NEW HAMPSHIRE—Manchester:** William G. Ford.

NEW JERSEY—Asbury Park: Morris Cinnamon. **Irvington:** Harry Stevenson. **Jersey City:** William F. Hopken. **Newark:** Thomas W. Deibert. **New Brunswick:** Bernard Young.

NEW MEXICO—Clovis: R. Craig De Lozier.

NEW YORK—Buffalo: Raymond J.

Popp. **Jamestown:** Miles L. Lasser. **New**

York: Martin Cohan, Seymour Fried,

Santo E. Galdi, Carl Goldstein, Louis

John Haag, Andrew P. Kane, Jr., Alfred

William Kellerman, Herbert Krawitzky,

Howard B. Kutner, Arthur Erwin Leit-

ner, Bernard Levy, Martin L. Margolis,

Arthur W. McEwen, John Joseph O'Don-

nell, Jr., Richard Chadwick Ogden, Jr.,

Frank Kazuo Okazaki, Francis Joseph

Palamara, Hyman M. Pearl, Frank H.

Purinton, Jr., John Cornelius Reagan,

Herbert Gates Reid, William J. Ritter,

Bertram Robinson, Francis J. Schaefer,

John J. Tarpey, Margaret M. White.

Utica: Frank J. Pontolillo.

NORTH CAROLINA — Burlington:

Jack Y. Henderson. **Fayetteville:** John

C. Pate. **Morehead City:** Josiah W. Bai-

ley. **Tarboro:** H. C. Wilkinson. **Winston-**

Salem: A. Bruce Levin.

OHIO—Canton: John Edward Masline.

Cleveland: Norbert S. Bick, Robert J.

Boyer, Charles Edward Turley, Robert

Woods. **Columbus:** Richard V. Bor-

ghese, Thomas A. Sheffield. **Dayton:** Jos-

eph W. Jackson. **Hamilton:** Paul C. Kei-

del. **Mogadore:** Henry T. Thomas. **Sand-**

usky: Byron E. Deeter. **Wadsworth:**

Harold H. McKeen.

OKLAHOMA—Tulsa: W. B. Bates.

OREGON—Ashland: Ernest G. Tisch-

hauser. **Astoria:** Dewayne S. Cable.

Klamath Falls: Fred H. Holmes. **Port-**

land: Fred O'Neal Burnett, Lawrence R.

Stark, Kathryn L. Thompson.

PENNSYLVANIA—Oil City: James M.

Smathers. **Philadelphia:** Gennaro J.

Fluri, Morton Goldfield, Herbert M.

Heitzer, Edwin N. Robinson. **Pittsburgh:**

William W. Frasure, James Craig Mc-

Fadyen, Jr., Robert Lee Meek, Joseph

P. Wallace.

RHODE ISLAND—Providence: Ray-

mond W. Perkins, Milton Pliner, Philip

K. Short.

SOUTH CAROLINA — Charleston:

Thomas E. Buskirk, Jr. **Columbia:** Rob-

ert M. Broadwell.

TENNESSEE — Chattanooga: Bennie

Eugene Hatfield. **Knoxville:** James Lee

McPhetridge. **Oak Ridge:** Leland C.

Glazier.

TEXAS—Corpus Christi: James Travis

Fort. **Dallas:** Bernard J. Rathheim. **El**

Paso: Bruce G. Bixler. **Houston:** Charles

R. Deitiker. **San Antonio:** Emil A.

Boehm.

UTAH—American Fork: Dee R. Hunt-

er. **Salt Lake City:** Lester Rex Andersen.

VIRGINIA—Norfolk: Joseph L. God-

win. **Roanoke:** W. Bruce Overstreet, Jr.

WASHINGTON — Seattle: Robert W.

Ash, Richard D. Bradish, George D.

Hubbard.

WISCONSIN—Cudahy: John A. Boe-

decker. **Milwaukee:** E. P. Alberts, Her-

bert W. Holler, John H. Shinnors, R. A.

Wipperman. **Ripon:** Ralph R. Root.

Madison: Charles P. Seibold.

HAWAII—Lihue, Kauai: John R. Free-

man.

CUBA—Havana: E. H. Beresford Monck.

The Certified Public Accountant

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The CPA

MEMBERSHIP BULLETIN OF THE
AMERICAN INSTITUTE OF ACCOUNTANTS

President Zebley Begins

A Year of Public Speaking

The CPA

Published monthly for
the membership of the
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... from the

Civilization does not move forward like a rigid object, with all its parts moving at once in fixed relation to each other. Stone-age men still live unchanged in the Australian bush and the Amazonian jungles, while Western society reaches new heights each year. Progress is measured by reference to the point of farthest advance.

Professions are social organizations composed of human beings, and their advanced elements also move more rapidly than the rear guards. The difference in pace is more noticeable, naturally, in times of rapid change and scientific discoveries. It might be said that the professions stretch as they move forward.

Accounting is a comparatively young profession whose ori-



FEBRUARY 1956

on the cover

Making his first appearance as AIA president before a CPA society, John H. Zebley, Jr. (r.), is greeted by New Jersey Society's Abraham H. Puder (l.)

and Benjamin H. Garb. He addressed the group of over 200 on November 15. Last year's president, Maurice H. Stans, gave nearly 50 talks during his term of office.



executive director's desk

gins, while no humbler than those of its elder cousins, are fresher in the public memory. Thus it may appear to be stretched more than most. One end is still based in bookkeeping, where accounting originated, while the other end reaches the highest levels of industrial and governmental finance and management.

At some time—soon, I think—accounting will be liberated completely from bookkeeping, as the surgeon broke away from the barber, the physician from the pharmacist, the architect from the draftsman.

When that separation occurs, accounting will be more clearly recognized as a distinct profession—the profession of business—and its qualified practitioners will enjoy greater opportunities for service.

This happy day can be hastened by conscious effort on the part of CPAs. They can hasten it by emphasizing the creative and helpful parts of their work, by identifying their work with creative activities of management such as organization, planning, communication, measurement of progress—and by leaving the useful and honorable, but less-demanding, function of maintaining financial data to a separate group of skilled craftsmen who need not be required to demonstrate full professional competence.

John Carey

AIA Name Change Vetoed As Four Amendments Pass

The proposal to change the name of the Institute to the American Institute of Certified Public Accountants has been voted down by the membership.

Although the count was 10,363 to 6,922 in favor of the change, the necessary two thirds was not obtained and the measure failed to carry by 1,186. (The by-laws require that an amendment first be approved by two thirds of the members attending an annual meeting and then by a mail vote. One third of the entire membership must vote and two thirds of those voting must approve.)

More than 26,000 members were entitled to vote on five amendments included on the ballot. By the January 9 deadline 17,324 ballots had been returned. Not all the voters voted on every proposal, but the remaining amendments were substantially approved.

The new provisions:

1. Permit the executive committee to waive the dues of any member for "reasonable cause."
2. Define a quorum of the trial board as "a majority" of the 21 members.
3. Establish a committee to manage the Institute's investments.
4. Authorize an expansion of the ethics committee.

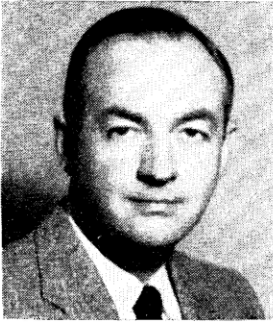
Within a month copies of the amendments will be mailed to members.

Wage-Hour Exemption Request

Exemption of certified public accountants from the salary requirement for qualification as "professional" under the Fair Labor Standards Act has been requested by the Institute.

The request was submitted in a statement filed in connection with hearings which were held December 12-14 by the Wage and Hour Administration on the question of increasing the present minimum salary necessary to qualify individuals for exemption as professionals. Under present regulations the salary requirement does not apply to doctors or lawyers, but for all other professions one of the qualifications for exemption is a salary of at least \$75 a week. An increase in this figure is now under consideration.

The decision to submit the AIA statement was made in accordance with a policy determined by the executive committee in 1952. At that time the committee decided to request exemption—when the time was propitious—for CPAs only, since



Mr. Stans



Mr. Campbell



Mr. Harrington

there is apparently no possibility of obtaining blanket exemption for staff employees.

President Zebly appointed a special committee to deal with the problem, consisting of members of the 1952 AIA wages and hours committee from the New York area. They are Frank Donahue, chairman, Howard I. Schlenker, and Ernest O. Lothrop, all of New York, and Marshall M. Thomas, Newark, N.J.

Testimonial Dinner

Three CPAs who are leading government officials will be honored at a banquet given by the Institute on March 16 at the Hotel Mayflower in Washington, D.C. They are Joseph Campbell, Comptroller General of the United States; Russell C. Harrington, Commissioner of Internal Revenue; and Maurice H. Stans, Deputy Postmaster General. All are members of the AIA.

The banquet will be held in conjunction with the AIA "committee days," March 16 and 17, when 24 committees are tentatively scheduled to convene in Washington.

Institute members who will be in the vicinity are invited to attend the banquet and to bring their Congressmen as guests. Individual tickets for the banquet, and the reception preceding it, may be purchased from the Institute for \$14 each.

FHA Cost Certification

Officials of the Institute met in December with top staff of the Federal Housing Administration to discuss the possibility of participation by CPAs in examinations of costs of construction of multiple-family dwelling units when mortgages are insured by FHA and the mortgagor and the builder are not dealing at arm's length.

New legislation, passed by Congress last year to provide safeguards

round-up of the news

against "windfalls" to builders whose mortgages were federally insured, included a requirement for cost certifications to the FHA.

The FHA could accept such cost certifications on the basis of examinations by its own auditing staff, but the Comptroller General has advised the agency that it might also rely on examinations by independent CPAs.

Senator Byrd, in his address to the Institute at its annual meeting in Washington, October 24, 1955, referred to this matter and urged FHA to proceed without delay to comply with the new requirements.

There are technical difficulties which were the subject of discussion at the meeting December 13. The Institute has offered to assist the FHA in any way practical in developing policy and procedure in this area.

Interstate Practice

Barriers to interstate practice by professionals are the subject of a current legislative project of the Special Committee on Professional and Occupational Licensing. The committee, also known as the "Tri-State Committee," is composed of representatives of New Jersey, New York, and Pennsylvania—a senator, representative, and one additional official concerned with professional licensing, from each state.

The committee met October 10 to draft a recommendation on revi-

sion of state laws. The statement would delete from the statutes the requirement that a CPA have an office or live in the state where he applies for a reciprocal license.

If its recommendation is adopted by the states involved in the current project, the Special Committee will attempt similar legislative changes on a ten-state, regional basis.

Advisory Ethics Committee

A ten-man advisory committee on professional ethics has been appointed by AIA president John H. Zebley, Jr., to give immediate consideration to three areas involving professional ethics and tax practice.

The appointees will serve until the spring Council meeting (April 14-19) when, under recent amendments to the by-laws, Council may enlarge the Institute's committee on professional ethics and elect to it members who are not on Council.

The new advisory committee has been divided into the following sub-committees:

1. *Ethical questions related to alleged legal work and employment of lawyers by CPAs:*

Samuel J. Broad, New York,
Chairman

Harold R. Caffyn, New York
Alexander Eulenberg, Chicago

2. *Ethical conduct in areas other than auditing and tax practice:*

A. Stanley Harmon, Stamford,
Conn., *Chairman*

Reprints from *Nation's Business* of "More Firms Shift to Natural Business Year" can help you persuade clients to discard the arbitrary calendar year. 2¢ each; 50 for \$.80; 100 for \$1.40.

Lincoln G. Kelly, Salt Lake City
John W. McEachren, Detroit
Troy G. Thurston, Indianapolis

3. *Accountants' ethical responsibility in tax practice:*

Walter R. Flack, San Antonio,
Chairman
Roy F. Godfrey, Tulsa
Donald M. Russell, Detroit

Agran Appeal

Loeb & Loeb, counsel for the California Society of CPAs and the Institute, has filed a brief in the appeal of the *Agran* case to the Appellate Department of Los Angeles County's Superior Court.

The appeal is based on the argument that *Agran* performed accounting services for which he was licensed by both the State of California and the U. S. Treasury, where he is enrolled as agent.

Accounting Trends

The ninth edition of *Accounting Trends and Techniques in Published Corporate Annual Reports* has been issued by the Institute.

The 266-page volume analyzes the

financial statements of 600 companies in detail and reviews an additional 700. Copies are \$15 each.

Publication of the survey was supervised by Helen T. Farhat, of the research department. She was assisted by seven staff employees of public accounting firms: Kenneth Clinchy, Robert Druker, Edward Goeller, John McKenna, John McQuade, Gilbert Simpkins, and M. Tabibian.

Tax Form Recommendations

Early this year the Institute will submit to the Internal Revenue Service recommendations on all tax forms and instruction sheets.

Members of the Institute are asked to assist the committee on taxation in this project by sending in their constructive suggestions on the tax materials they are using this season.

These may cover criticisms of wording, schedules, arrangement of data, clarity, typography, space provided, etc.

Reclassification of CPAs

A recommendation approving the Institute's request for reclassification of accountants and auditors to put them with other professional groups has been reaffirmed at a final meeting of a subcommittee of the Industrial Advisory Committee on Standard Industrial Classification.

The subcommittee, of which Pub-

round-up of the news

lic Relations Director Charles E. Noyes is a member, met in Washington on December 19.

The classification, which is issued under the auspices of the Bureau of the Budget, is used by the Census Bureau and other government agencies. Accountants, auditors, and bookkeeping services are now classified under "Miscellaneous Business Services."

Tax Information Program

The Armed Forces press services are distributing AIA's newspaper articles on "Tax Facts," prepared by the public relations department, to approximately 1600 publications of the Army, Navy, and Air Force.

Education Consultants

A committee of eight has been appointed by President Zebley to make suggestions on the proposed *National Public School Accounting Manual*.

Comments were invited by the committee on accounting of the Association of School Business Officials. The manual will be published by the U. S. Department of Education.

Members of the committee, which held its first meeting January 3, are: Albert D. Berning, New York, chairman; Edward J. Barr, Detroit; Anthony A. Belser, Jr., Boston; John P. Fitzgerald, Minneapolis; Alphonse M. Hart, Newark, N.J.; Joseph M. Lowery, Los Angeles; and Clifton A. Morvant, New Orleans.

The Mellon National Bank and Trust Company of Pittsburgh will distribute the AIA pamphlet "Do You Close Your Books on New Year's Eve?" during its Concentrated Course in Banking for bank executives next month.

Annual Meeting Train

A special AIA train out of New York will carry Institute members from the East to the 69th annual meeting in Seattle next September. Those aboard will have a day's stop-over in Sun Valley, Idaho.

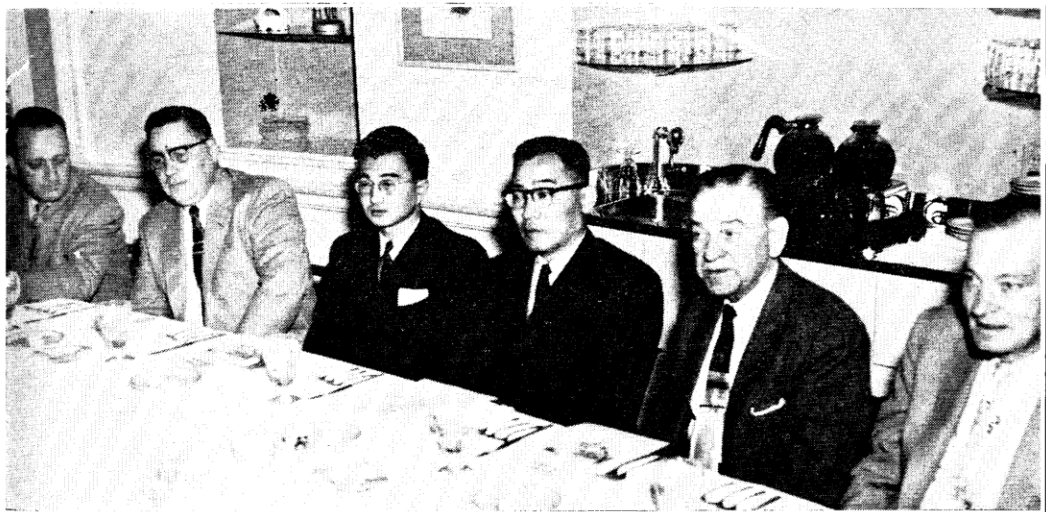
A second train originating in Chicago, or private Institute cars incorporated in regular passenger trains, are also being considered.

All members interested in traveling in a group to the annual meeting should watch for details in a later issue of THE CPA.

Directory of Graduates

The 1956 *Directory of Business Personnel Available* has been published by Alpha Kappa Psi, oldest national business directory. The directory includes photographs and qualifications of 112 college graduates who will be available for employment this year. Many have majored in accounting.

A free copy can be obtained from the fraternity headquarters at 111 E. 38th St., Indianapolis 5, Ind.



Yoshiro Otsuki, Deputy Commissioner of the National Tax Administration Agency for the Japanese Ministry of Finance, was honor guest of the Cheyenne Chapter of the Wyoming Society of CPAs when he visited the U.S. to study our Internal Revenue Service. Pictured left to right: Clyde W. Gaymon, Cheyenne Chapter; Clyde N. Pasch, Acting Director of Internal Revenue, Cheyenne district; Robert T. Sasaki, interpreter for Mr. Otsuki; Gilbert A. D. Hart of the IRS; and Joseph Heslep, budget officer for Cheyenne.

Write on your business letterhead and state the number of your employees.

Dickinson Lectures

The American Institute has distributed nearly 400 copies of the 1954-1955 Dickinson Lectures to business leaders, deans of collegiate schools of business, newspaper and magazine publishers, and financial editors.

Recently published by Harvard University under the title *Public Accounting Practice and Accounting Education*, the lectures were deliv-

ered last spring by Donald P. Perry of Boston, partner in Lybrand, Ross Bros. & Montgomery.

The lectures are sponsored annually by the Arthur Lowes Dickinson Fund, established by Price Waterhouse & Co. The fund provides for one or more public lectures to be given each year by a man "outstanding in accounting."

Committee Conference

Two committee chairmen each spent a full day in New York recently conferring with Executive Director John L. Carey and the AIA

round-up of the news

staff. They were Robert M. Murphy, of Decatur, Ill., chairman of the public relations committee, and Professor Willard J. Graham, of the University of North Carolina, chairman of the committee on professional statistics.

Accounting Article

An AIA-prepared article on "How to Select an Auditor" has appeared in the December issue of *Trustee*, published by the American Hospital Association for 26,500 members of hospital governing boards.

The Association also printed the article in *Hospitals*, distributed to 16,000 members and member-hospitals in the organization.

Accounting Jobs for Women

The U. S. Department of Labor has published *Employment Opportunities for Women in Professional Accounting*, Women's Bureau Bulletin No. 258.

The booklet is available, for 20 cents, from the Superintendent of Documents, Government Printing Office, Washington 25, D.C.

Insurance Trust Manual

An administration manual for firms participating in the AIA insurance trust has been prepared by The Hanover Bank, trustee for the fund.

The manual covers regulations re-

garding eligibility, enrollment, beneficiaries, claim procedures, etc., and includes specimen forms. It is hoped that it will simplify administration for the participants and reduce the work of the trustee.

Copies were mailed to insured firms last month.

firm announcements

ALABAMA — Birmingham: The firm name of Neville, Brown & Regan has been changed to Brown, Regan & King.

CALIFORNIA—Beverly Hills: Ernest M. Lever, Maurice N. Newman, and Kurt R. Anker have formed Lever, Newman and Anker, 9008 Wilshire Blvd. **Compton:** Frank B. Burdsall, Jr., and Marshall E. Dunn have formed Burdsall, Dunn & Co., 529 W. Rosecrans Ave. **Monrovia:** L. B. Lee has opened an office at 130 E. Colorado Blvd.

CONNECTICUT—Avon: Mario Solari has opened an office on Old Farms Road. **New Haven:** W. Kenyon Gardner and Spencer B. Hirst have been admitted as special partners to the firm of Seward and Monde.

FLORIDA—DeLand: David W. Miller has opened an office in the Whitehair Bldg. **Miami:** Charles E. France has opened an office in the Ingraham Bldg.

GEORGIA—Atlanta: William A. Freeman and Ralph Buford Garrett, Jr., have formed Garrett and Freeman, 2025 Peachtree Rd., N. E. **Valdosta:** Smith & Cook announce formation of the firm of Smith, Cook, Carter and Lamon, with admission to membership of Ben S. Carter and Thomas Earl Lamon.

ILLINOIS—Champaign: Andrews, Peer and Hunt and Elizabeth G. Curzon have merged accounting practices under the

firm name of the former, with offices at 203 W. Green St. and 37 Main St. **Chicago:** S. Alexander Bell & Co. has been merged into Peat, Marwick, Mitchell & Co.

KENTUCKY — Louisville: Following the dissolution of Fowler & Van Overbeke, Earle B. Fowler and Kenneth S. Kane have formed Fowler & Kane, 426 W. Jefferson St., and Frank Van Overbeke, Jr., has opened an office at 310 W. Liberty St. **Pikeville:** Herbert L. Brown has opened an office at Caroline Ave. and Second St.

LOUISIANA—Baton Rouge: The firm name of Basil M. Lee and Company has been changed to Basil M. Lee—H. J. Chutz Co.

MARYLAND — Baltimore: Paul F. Wooden, Edward S. Williams, Charles W. Chamberlain, Jr., and Gilbert B. Benson, Jr., have been admitted to partnership in Wooden, Benson & Walton.

MASSACHUSETTS — Wellesley Hills: John P. McMahon has opened an office at 6 Abbott Rd.

NEBRASKA—Grand Island: Orin Contryman and Verne R. Moseman have formed Orin Contryman & Associates, 209 102 N. Locust St.

NEW JERSEY — Bayonne: Stanley Freizer has opened an office at 549 Broadway.

MICHIGAN — Kalamazoo: Lawrence Scudder & Co. and Speidel & Kneen have merged practices under the name of Lawrence Scudder & Co., with offices at 1207 American National Bank Bldg. and 609 S. Burdick St., Kalamazoo, and the Riviera Theatre Bldg., Three Rivers.

NEW MEXICO—Albuquerque: W. S. Squire has opened an office at 112 Tulane, S. E.

NEW YORK—New York: Following the dissolution of Grill & Turer, Max Grill and Company is continuing practice at 1 Madison Ave. and Herman D. Turer and Joseph Solomon have formed

Joseph Solomon & Co., 745 Fifth Ave. . . . Seymour Rothschild has been admitted to Jerome G. Futerman & Co.

OHIO—Dayton: Norman A. Dohner has opened an office at 412 Hollendale Dr. **Youngstown:** Richard O. Fuller and John M. Welker have formed Fuller and Welker, Central Tower Bldg.

OKLAHOMA—Tulsa: Daniel, Ennis & Co. has admitted W. Ray Carlisle as general partner to be stationed in Tulsa, and has admitted to partnership Clay M. Edmond, Tulsa, and Virgil Bracken, Fort Smith. . . . Earl L. Hogard and Earl L. Hogard, Jr., have formed Earl L. Hogard & Co., 236-237 Kennedy Bldg.

PENNSYLVANIA—Philadelphia: Norman Zelnick has opened an office at 900 Bankers Securities Bldg.

RHODE ISLAND—Greenwood: Howard W. Chatto has opened an office at 985 Main Ave. **Pawtucket:** James W. Arenburgh has opened an office in the Fanning Bldg., 84 Broad St.

TENNESSEE—Memphis: Stephen H. Rea and John D. Ivy have formed Rea & Ivy, Falls Bldg.

TEXAS—Corpus Christi: Daniel E. Kilgore has been admitted as resident partner to the firm of Frazer and Torbet. **Houston:** A. Burke Haymes has opened an office at 808 First National Bank Bldg. . . . Alfred C. Paul has opened an office at 470 San Jacinto Bldg.

UTAH—Salt Lake City: B. Leland Tanner and R. J. Fellmeth have formed Tanner & Fellmeth, 26 W. Broadway.

WASHINGTON—Seattle: With admission to partnership of Louis H. Ford, firm name of F. H. Molitor & Co. has been changed to Molitor, Doremus & Ford, 534 Skinner Bldg. . . . Eugene C. Heubener and William T. Kobayashi have formed E. C. Heubener & Co., 7109 Woodlawn. **Spokane:** Philip K. Hintz has opened an office at 501 Spokane & Eastern Bldg.

California Public Accounting Subject of University Study

The practice of public accounting in California will be the subject of a \$90,000 research project of the University of California. The money was made available to the university from surplus funds of the California State Board of Accountancy.

Research will be done on the opportunities for public accountants in the state's economy and on the standards and education of individuals in the accounting profession.

To assist in determining objectives and methods for the project, seven men have been appointed to an advisory board by President Robert G. Sproul of the university: George O. Carlson, State Board of Accountancy; Ira N. Frisbee and Clifford V. Heimbucher, both on the Commission on Standards of Education and Experience; H. E. Ludwig, Firestone Tire & Rubber Co.; T. H. Mugford, State Department of Finance; O. K. Pryor, California Society of CPAs; and Fred A. Wells, Society of California Accountants. Four members of the advisory board belong to the AIA.

Florida Directive

Another indication of favorable awareness of the importance of the

CPA opinion has been given by the Florida State Road Department, which advised that any renewal of prequalification at the end of individual fiscal years must be accompanied by an opinion from a CPA to the effect that the financial statement presents fairly the financial conditions of the qualifying firm.

The directive goes on to state that no credit will be granted for an asset which the CPA excepts from his opinion.

CPA Law Resolutions

Eleven resolutions on desirable provisions to be incorporated in state laws or regulations have been formulated by the Association of CPA Examiners, national organization of members of state boards of accountancy. They were adopted by the Association at its October meeting in Washington, after several years of study of CPA laws.

Of the resolutions, which are general expressions of the views of members of the state boards of accountancy, the following are especially significant:

1. State boards of accountancy shall be composed of CPAs in practice in their own states.



Manufacturers of reproduction equipment were invited to display their wares at a recent meeting of the Washington Society of CPAs. Above, a salesman demonstrates equipment to society president Russel A. Pearson and vice president Eric H. Wiles.

2. State boards shall promulgate rules of professional conduct.

3. A candidate for the CPA examination must be a graduate of a college or university recognized by the board.

4. A candidate must have practical experience before a certificate is issued to him, but such experience

may be obtained either prior to or subsequent to the examination.

5. A board may waive the examination and issue a certificate to any person who is a CPA in good standing in another state and who, at the time of his examination, met the requirements in effect for the state's own candidates.

CPA State Auditor

AIA member Mary Louise Foust is the first CPA and the first woman to be elected Auditor of Public Accounts in Kentucky. On January 2 she was sworn into office for a four-year term.

Miss Foust was elected by a plurality of 153,694 votes after winning the Democratic nomination on the strength of her qualifications as a professional accountant.

Financing and managing her own independent campaign, Miss Foust visited 86 of Kentucky's 120 counties before the primary.

Only once before, to the memory of those living in Kentucky, has an independent candidate been elected.

Rear Admiral

Norman Loyall McLaren, San Francisco, has been promoted to the rank of Rear Admiral in the U. S. Naval Reserve.

This is believed to be the senior rank attained by an Institute member in the Naval Reserve.

John P. Barlow (AIA '38), 58, partner, Pasley & Conroy, New York City, November 14.

Harold B. Barnett (AIA '25), partner, Barnett, Boulogne & Belanger, New York City, December 19.

William Boynton (AIA '22), 64, partner, Charles F. Rittenhouse & Company, Boston, November 20. He held many offices in the Massachusetts Society of CPAs, including the presidency in 1952-53.

Morton I. Davis (AIA '24), partner, Homes & Davis, New York City, December 14.

Tracy K. Elder (AIA '40), 48, own account, Spokane, Wash., November 4.

Walter John Felix (AIA '49), 52, partner, Skinner & Hammond, San Francisco, October 31.

Frank S. Hatch (AIA '17), 67, treasurer, Moore Drop Forging Company, Springfield, Mass., November 12.

Harry L. Karns (AIA '21), 66, retired Auditor General, United States Air Force, Headquarters Southern District, Fort Worth, Tex., December 1.

Carl C. Kohl, Jr. (AIA '49), 38, presi-

dent, Bryce Brothers Company, Mt. Pleasant, Pa., March 17.

Charles John Ledwith (AIA '48), 54, own account, South San Francisco, May 27.

Peter J. Martucci (AIA '43), 43, founder and senior partner of Martucci and Company, Pittsburgh, November 1.

George W. McGrath (AIA '36), 67, with Collins & Company, Pittsburgh, January 25, 1955.

Elwood B. Revell (AIA '16), Elwood B. Revell & Co., Philadelphia, May 12.

William Sherratt (AIA '21), own account, Philadelphia, November 19.

Milon M. Stone (AIA '22), 55, partner, Haskins & Sells, New York, December 14.

Edgar L. Unzicker (AIA '36), 62, partner, Scholefield & Co., Los Angeles, November 20.

N. B. Weedman (AIA '50), 44, assistant controller, Lion Oil Company, El Dorado, Ark., October 15.

J. Frederick Woessner (AIA '43), 55, controller, Great Lakes Carbon Corporation, New York City, December 6.

A. S. Zachry, Jr. (AIA '50), 45, after a long illness, August 16.

Applicants Recommended for Membership

The committee on admissions recommends admission of 181 applicants. They do not become members until voted upon by the Council and declared elected by the president. If protest is to be made against any applicant, it should reach the Institute on or before February 15, 1956.

ARIZONA—Phoenix: Willard E. Conn.

ARKANSAS — Hot Springs: Carl J. Westermann. **Little Rock:** Roman H. Borengasser, Herman B. Shirley, Jr.

CALIFORNIA—Beverly Hills: Hyman Glass, Vernone G. Schervem. **El Centro:** Frederick C. Smith. **Los Angeles:** Akira W. Hara, Warner B. McCarthy, Harold Rice, Paul S. Yoon. **Oakland:** David Franklin Low. **Pasadena:** Philip Irvin

Ashabraner. **Sacramento:** Edward J. Reardon. **San Diego:** Daniel Hudson Gibbs. **San Francisco:** Andrew B. Basey, H. C. Chandler, Nathan Jay Friedman, Raymond H. Peiser. **Van Nuys:** Captain Thomas W. Feigenson.

COLORADO—Denver: E. Kay Knowlton, Stephen M. Wagner, William Harold Welch.

DISTRICT OF COLUMBIA: Otto

Brand, Russell Earl Dyke, Mary McDermot Hunter, Joseph P. Normile, Arthur Schintzel.

FLORIDA—**Bradenton**: Richard Wyatt Pratt. **Howey in the Hills**: George A. Brownyard. **Jacksonville**: William H. McDonald, Jr. **Miami**: Kenneth T. Hodges, George D. Welch. **Tallahassee**: William A. Eaton, Jr. **Tampa**: Willard R. Elsberry.

GEORGIA — **Dalton**: William Parker Hathcock. **Milledgeville**: James M. Grant.

IDAHO—**Pocatello**: Warren Vickrey.

ILLINOIS — **Chicago**: Henry Gordon Carey, Barbara M. Cole, Norman M. Dubin, A. Thomas Rangaves, Allan John Vogen, Abraham Albert Weinberg, Perry D. Woodward.

INDIANA—**Indianapolis**: Herman W. Fischer. **Newport**: Thomas S. Carter. **Plymouth**: William T. McQueen. **South Bend**: Herman Kruggel, Jr.

KENTUCKY — **Louisville**: Robert J. Chaudoin, Scott William Hamilton.

MARYLAND — **Baltimore**: Gilbert Brown Benson, Jr., Willis Edward Boswell, John F. Cadogan, Robert Pennington Koenig, Edward S. Williams. **Ellicott City**: Charles A. Hopwood, Jr.

MASSACHUSETTS—**Boston**: Murray I. Altsher, Arthur Ansbikian, Wallace James Burgess, David Donald Conners, Samuel H. Gesserman, Norman E. Grandberg, Jason H. Wolf.

MICHIGAN—**Battle Creek**: William P. Sweet. **Detroit**: Abraham Burnstein, Lloyd I. Chauvin, Robert J. Clarke, Francis J. McDonnell, Jerauld R. Meade, Ralph S. Palis, Ralph S. Pehrson. **Kalamazoo**: Howard C. DeLaMater. **St. Johns**: Charles E. Watson.

MINNESOTA—**Minneapolis**: Floyd A. Clements, Jr., Herbert J. Walker, E. F. Wolfe.

MISSOURI — **St. Louis**: Arthur W. Guntly, Rowland G. Stoehr.

NEBRASKA — **Alliance**: Roger L.

Crum. **Lincoln**: A. Thurman Hinds. **NEVADA** — **Las Vegas**: William E. Littler.

NEW JERSEY — **Camden**: Raymond Silverstein. **Newark**: Albert R. Durso, Sheldon Feinberg, Abraham F. Rothfeder. **Trenton**: Jules William Marcus.

NEW YORK—**Brooklyn**: Oswald Goldschmidt, Gerald J. Morrissey, Edgar A. Tichy. **Buffalo**: Raymond Frank Culp, Leonard A. Dopkins. **Hampton Bays**: Theodore R. Sabel. **Jamaica**: Bernard Rosman. **New York**: Marvin L. Baris, Bernard Bialick, Fred Boas, Jr., Richard K. Bristol, David Danish, Matthew J. Dooney, Robert Dubi, Edson L. Foster, Jr., Robert W. Gelles, Irwin W. Horn, Louis M. Inchiosa, Morris N. Kimmel, Samuel M. Lifshay, Burton I. Lippman, Isaac Peikon, Eugene R. Riso, Hans Romaine, John T. Roscher, James Joseph Ryan, Lawrence R. Schmidt, Aubrey W. Stewart, Edward A. Swift, Saul Taxon. **Patchogue**: Maurice D. Astor. **Utica**: C. William Dunning.

NORTH CAROLINA—**Charlotte**: William A. Ramsey. **Durham**: Aggie Manuel Capsalis. **Greensboro**: William Tracy Moore, Joseph G. Patrick. **Henderson**: Wilson Haywood Phillips. **Raleigh**: Romulus S. Watson. **Salisbury**: Thomas Albert Wall, Jr. **Spray**: Luke E. Chewning. **Winston-Salem**: Porter O. Gray, John R. Pugh, William G. Thorne.

OHIO — **Bucyrus**: George L. Boyd. **Cleveland**: Robert C. Fisher. **Columbus**: George A. Chapin. **Dayton**: William O. Horrell. **Sandusky**: Leland J. Welty. **Toledo**: Minor C. Eyres, Wayne Frederick Parker.

OKLAHOMA — **Tulsa**: James Louis Dumolt.

PENNSYLVANIA—**Bridgeville**: Paul N. Waite. **Harrisburg**: Andrew M. Bradley. **Langhorne**: Victor Francis DeMarco. **Philadelphia**: Sydney Z. Berenson, Jack Goldman. **Pittsburgh**: John W. Carville. **Sharon**: James A. Magner. **York**: Lester

E. Witmyer.

SOUTH CAROLINA—Columbia: Raymond R. Finch, Jr.

TENNESSEE—Knoxville: Thomas E. Nave. **McMinnville:** James E. Totherow. **Memphis:** W. Bernard Hill, John Daly Ivy. **Oak Ridge:** Pleasant Winfred Williams.

TEXAS—Abilene: Ronald E. Lawrence.

Dallas: Arch C. Baker, Jr., William D. Lunn, E. L. Murph. **Houston:** Marvin G. Barish, Britton T. Edwards, Floyd W. Fluker, Robert Beauregard Hall, Robert Ray Henry, George C. Hogan, Robert Clinton Mann, Ross McElreath.

UTAH—Salt Lake City: Isamu S. Aoki, William L. Cope.

VIRGINIA—Richmond: Ned L. Sours.

WASHINGTON—Ellensburg: Richard R. Ramey. **Longview:** David V. Bergman. **Olympia:** Warren E. Vadman. **Seattle:** Ralph E. Doremus, Gerald G. Gose, Harry H. Horowitz. **Sedro-Woolley:** Herbert D. Nightingale.

WEST VIRGINIA — Charleston: William J. Conway.

WISCONSIN — Milwaukee: Glenn A. Jensen. **Wausau:** George J. Krieg.

ALASKA—Anchorage: David E. Truedell.

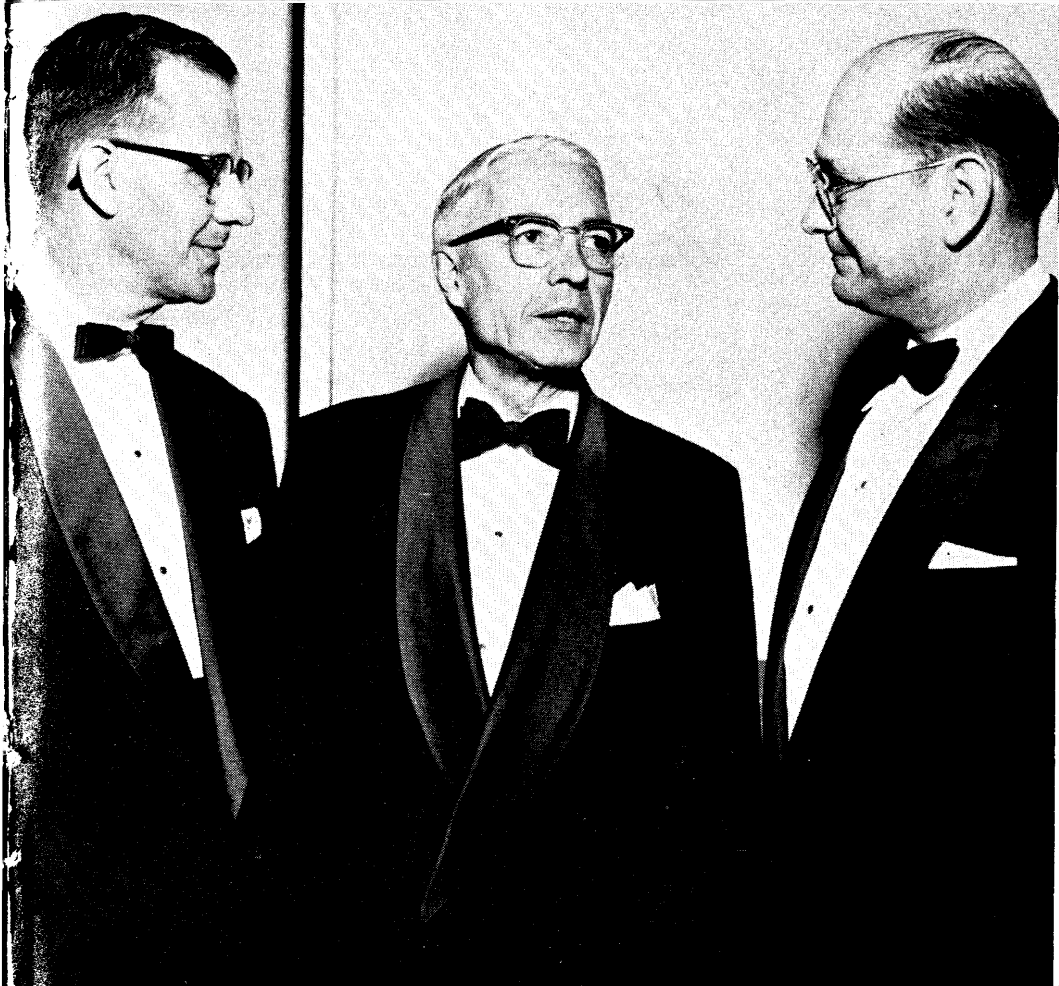
HAWAII—Honolulu: Alfred Y. K. Au, Benjamin W. Baker.

SOUTH AFRICA — Johannesburg: Charles J. Daley.

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The American Institute of Accountants
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**Future Budget Director
Visits Louisiana Society**

On Its 45th Anniversary

MEMBERSHIP BULLETIN OF THE
AMERICAN INSTITUTE OF ACCOUNTANTS

The CPA

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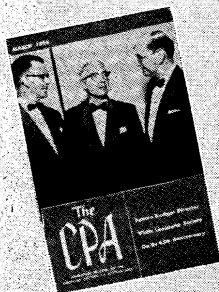
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MARCH 1956
on the cover

Percival F. Brundage,
who becomes Director
of the Bureau of the
Budget on April 1,
was honored guest at
anniversary banquet
of Society of Louisiana

CPAs. He is shown with Clifton A. Morvant (l.); president, and J. Earl Pedelahore (r.), emcee. Mr. Brundage was AIA president in 1948-49.



... from the

“Identify accounting with the production of profits.” This idea of Mark Eaton’s, in the November 1955 *Journal of Accountancy*, seems to unlock a door.

Too many people think of auditing as a “necessary evil” to conform with demands of outsiders or a “post mortem” verification of what management already knows.

In fact, an audit is, or can be, a creative service. It can be in itself an analytical survey for management; an aid to communication with stockholders, employees, creditors; a buttress to good credit standing.

But it can also point up specific management problems—need to strengthen internal control, need for cost analysis, budgeting, review of insurance coverage, and so on almost to infinity.

An audit can be as creative



executive director's desk

as the people who conduct it, and a creative audit can easily be identified with production of profits. Perhaps this is not widely recognized because independent audits, unlike the physician's examinations, have not been commonly followed by diagnosis and prescription.

"Management services" by CPAs are widely discussed but variously defined. Broadly, of course, the term embraces everything that helps management, including the audit and suggestions which develop from it.

Two problems often arise in efforts to expand CPAs' services to management: (1) It is difficult for the CPA to find time to study his client's affairs and communicate his ideas to the client. (2) It is difficult to formalize general business advice in a way that justifies adequate compensation for the time it takes to develop sound recommendations. But neither problem is insuperable.

No professional man in his right mind will jeopardize client relations by venturing beyond the limits of his competence. But any CPA should be able to raise significant questions, and if he can't answer them himself he can tell the client where expert, specialized advice can be found.

This, too, is management service—and it identifies the CPA with the client's major objective, the production of profits.

Plan Larger Role in AIA For Nonpracticing Members

To increase the usefulness of the Institute to its members who are not in public accounting practice, the executive committee took the following actions at its January meeting in New York:

1. Recommended to Council that the by-laws be amended to make members not in public practice eligible for election to Council.
2. Recommended that every member—whether in public accounting or in corporate, governmental, or educational work—be eligible for appointment to any committee of the Institute.
3. Requested the committee on technical sessions to consider means

of increasing the value of future annual meeting programs to nonpracticing accountants by arranging sessions of particular interest to them.

These recommendations were made after the executive committee had studied a report on the problem by a specially appointed subcommittee.

Approximately 184 out of every 1,000 members, the report revealed, are not in public accounting practice. Many of these members have attained positions of professional leadership. Their more active participation in Institute affairs would unquestionably further the Institute's objectives.

Statement Released on Circular 230

An interpretation of Treasury Department Circular 230, governing practice of enrolled agents before the Department, was released January 30 by Secretary of the Treasury George M. Humphrey.

This statement, together with a letter from President Zebley, has been mailed to all members of the Institute.

The complete text also appears in the March issue of *The Journal of Accountancy*.



Guests at a "seminar" session of the January meeting of full-time state society executives: (l to r) Lawrence T. Knier, Robert Morris Associates; AIA's John L. Carey; Roy A. Foulke, Dun & Bradstreet, Inc.; and Mortimer J. Davis, New York Credit and Financial Management Association.

To this end, the associate class of membership (regarded by some as "second-class" membership) was dropped a few years ago. The present recommendations by the executive committee should assure members not in practice that they will have an opportunity to participate fully in the Institute's work.

Training in Reserve Forces

The Department of the Army is aware of the difficulties facing Reservists who must adjust their personal schedules to meet training requirements of the Reserve Forces,

says Assistant Secretary of the Army Hugh M. Milton II, replying to a letter from the Institute.

The letter, sent to the assistant secretaries of the Navy and Air Force as well, requested that consideration be given to problems faced during the tax season by staff accountants in the Reserve Forces.

The Institute suggested that regulations to be issued under the Reserve Forces Act of 1955 recognize the seasonal character of the work of Reservists employed by public accounting firms and allow these men to defer their training periods until after the filing deadline.

round-up of the news

Secretary Milton replied that the Army has (1) recently authorized the scheduling of multiple drills on week ends or other times in lieu of two regular weekly armory drill assemblies, and (2) provided, under the Reserve Forces Act of 1955, for Reservists who cannot take the regular training to satisfy their obligation by serving on active duty for 30 days.

"It may well be," wrote Secretary Milton, "that the provisions I have outlined . . . do not meet the particular situation faced by reservists employed by public accounting firms. It is my belief that each individual case will require a separate solution. . . . Such matters will have to be solved at the local level . . . no undue hardship will be imposed on individuals or members of a particular profession."

Assistant Secretary of the Navy Albert Pratt wrote that the Naval Reserve requirements are being made as flexible as possible by use of special programs. Present Reserve training in the Air Force will not be materially changed, according to David S. Smith, Assistant Secretary of the Air Force.

Tradepress Tax Article

Incomplete returns indicate that the annual tax article for trade magazines prepared by the Institute's public relations department will be printed by at least 261 publications

(53 per cent more than last year).

Publication commitments have come from such magazines as *American Glass Review*, *Building News*, *Heating and Air Conditioning Review*, *Northwestern Druggist*, and *Southern Pulp & Paper Manufacturer*.

The Wall Street Journal also used extensive quotations from the trade-press article in its front-page tax column.

The feature points out the importance of good records and properly qualified tax assistance. It is one of nine major projects in AIA's tax information program this year.

Standards Commission

The financial statement for the Commission on Education and Experience for CPAs, recently sent to all state societies and state boards that have contributed funds, shows that about \$27,500 has been received from state societies. The American Institute contributed \$20,000 and agreed to underwrite additional financing up to \$50,000.

These moneys have been used for a study of standards of education and experience for CPAs, under the direction of Dr. Frank Smith, University of Michigan.

A comprehensive report will be issued within a few months, according to Donald P. Perry, chairman of the Commission, and a pamphlet on the Commission's conclusions and



CPAs featured on Dade County (Fla.) Chapter's first radio program this tax season: (seated, l to r) William Herzog, moderator; Beth Thompson, chapter president; John Keyser, group supervisor, Miami IRS; (standing) Hans French and Ralph Bearden. The chapter has sponsored these half-hour tax shows three days a week, eight weeks each tax season, for four years.

recommendations will be mailed to all members of the AIA and the American Accounting Association.

Natural Business Year

The creation of natural business year committees by all state societies is being urged by the Institute in a memorandum sent to all societies.

According to AIA records about eight state societies now have such committees.

An increase in their numbers would reinforce the Institute's own committee, which has done nationwide promotion for the noncalendar

year and also researched and prepared the revised list of suggested closing dates issued last year.

Pamphlets and reprints are offered for distribution by societies.

Junior Achievement Drive

Public Relations Director Charles E. Noyes represented the Institute at an all-day meeting in Washington February 1 to launch a drive to increase the number of companies in Junior Achievement, Inc.

Junior Achievement is a national organization that encourages young people to form their own firms under

round-up of the news

the sponsorship of prominent business executives. Several firms in the Institute sponsor JA accounting companies, and the Institute annually awards a scholarship to an outstanding "Achiever" planning to major in accounting.

Continuing Education Courses

The Institute's education department is now evaluating results of two continuing education courses that were given in 11 locations last fall. The course in tax practice administration was given by the Columbus (Ohio) and Los Angeles chapters. Report Writing was offered in Wilmington, Del.; Green Bay, Madison, and Milwaukee, Wis.; Joplin and Kansas City, Mo.; Chicago, Ill.; Tyler, Tex., and Richmond, Va.

The Institute hopes to try out at least one more course this spring. Meantime it is making the report writing course available to any chapter or society that wishes to make arrangements for its administration. Suggestions on the operation and organization of the course are available on request.

Copies of AIA's Personnel Kit for High Schools and Personnel Kit for Colleges, to be used in conjunction with career days, are available free on request.

The tax practice course is also available for additional try-outs.

School Council Members

Two AIA members, Ralph B. Mayo, Denver, and Louis H. Pilié, New Orleans, have been named to the National Citizens Council for Better Schools.

The Council, presently composed of 69 civic leaders, succeeds the National Citizens Commission for the Public Schools. During the six and a half years of the Commission's existence, local interest resulted in the formation of state groups. The new Council will work mainly with these state-wide citizens committees to improve the public schools.

Mr. Mayo has been active for many years on numerous organizations in his city, including the Denver Chamber of Commerce, Rotary Club, Community Chest, YMCA, and the University of Denver.

Mr. Pilié has been a member of the Orleans Parish (City of New Orleans) School Board for 12 years. For much of this time he served as vice president.

New Research Bulletin

Accounting Research Bulletin No. 46, on the "Discontinuance of Dating Earned Surplus," has been issued by the Institute's committee on accounting procedure and is being sent to all members. Extra copies, 25¢ each.

firm announcements

ALABAMA—Birmingham: Neville, Brown & Regan announces a change in the firm name to Brown, Regan & King.

ARIZONA—Phoenix: Bailey, Norman and Spalsbury, with offices in Safford and Globe, have opened a third office in the Luhrs Tower.

CALIFORNIA—Los Angeles: Edwin Morse Franklin has been admitted to partnership in Brunning, Blanton & Johnson. **Oakland:** Allan Dean Buchanan has opened offices at 944 Brockhurst St. **Pasadena:** Dale O. Hiestand and Colin R. MacKay have been admitted as partners to Guill, Blankenbaker & Co. **San Francisco:** Alfred W. Gallagher has been admitted as partner to F. W. Lafrentz & Co. **San Jose:** The firms of Harden, Walker & Brower and Resnick and Jensen have merged practices under the firm name of Harden, Walker & Jensen. **Santa Ana:** Glenn M. Lashbrook has opened an office at 804 N. Birch St.

CONNECTICUT—Waterbury: Bernard J. Zucker and Ruth Kravitz have formed a partnership under the firm name of Bernard J. Zucker & Co., 111 W. Main St.

DELAWARE—Wilmington: Following the dissolution of the firm of Gunnip, Isaacson & Stolper, Frank A. Gunnip is practicing on his own account as Frank A. Gunnip & Company, 808 West St., and Bernard B. Isaacson and Benjamin Stolper have continued practice as Isaacson, Stolper & Co., 825 Washington St. **FLORIDA—Pensacola:** Harold L. Minnich has been admitted to Davis & Lundy as partner.

ILLINOIS—Chicago: Crouch & Crouch has merged practices with Ernest D. Schneider under the firm name of Crouch, Renberg & Schneider, 82 W. Washington St. . . . Robert B. Lipschultz has opened an office in Suite 2312, 11 S. La Salle St.

KANSAS—Wichita: David H. Tripp,

Van E. Fiser, Alvin M. Marcus, Owen W. Markel, and John T. Sheffield have been admitted as partners to Moberly, West, Calvin & Jennings.

KENTUCKY—Louisville: Harold B. Lindsay, Sam W. Lyverse, C. Craig Bradley, and John M. Nichols have been admitted as partners in the firm of Yeager, Ford & Warren.

LOUISIANA—Lafayette: Billy W. Bolton has been admitted as partner to the firm of Raynald J. Voorhies & Company.

MARYLAND—Baltimore: J. Wesley Trott and Willis E. Boswell have formed Trott and Boswell, 315 Equitable Bldg.

MASSACHUSETTS—Boston: Peter E. Cruise, Jr., has been admitted to partnership in Hawkins & Toye. . . . George B. Vasen has been made partner in Stewart, Watts & Bollong. . . . Arthur R. Hills and Theodore F. Tucker have been admitted to Charles F. Rittenhouse & Company as special partners.

MICHIGAN—Detroit: Elmer A. Bame has become associated as a partner in the firm of Miller, Bailey & Company, and Donald W. Upward and Paul L. Saylor have been admitted to partnership.

MISSOURI—Kansas City: John L. Kurtz and R. G. Pappenfort have formed Kurtz, Pappenfort & Co., 626-630 Law Bldg. . . . J. H. Moriarty and W. R. Gabriel, formerly partners of William H. Conway (deceased) in Wm. H. Conway and Company are continuing practice as partners under the firm name of Moriarty and Gabriel, with offices in Suite 1235, Rialto Bldg.

NEBRASKA—Lincoln: Marvin G. Snyder has opened an office at 1119 Sharp Bldg.

NEW JERSEY—Atlantic City: Upon admission to partnership of Francis X. Quigley, the firm name of Fiore & Keppel has been changed to Fiore, Keppel & Quigley. **Montclair:** Philip B. Brooks

firm announcements

and Stanley Golt have formed Brooks, Golt and Company, 460 Bloomfield Ave. **Newark:** Herman B. Ontell has opened an office in the National Newark Bldg., 744 Broad St. . . . William Margulies, Abraham H. Nechemie, Seymour Katz, and Jerome Armus have formed Margulies Nechemie Katz & Armus, 1060 Broad St. **Passaic:** Max Gottlieb announces the formation of Max Gottlieb & Co. upon the admission of Isadore Fienstein to partnership.

NEW YORK—Albany: William J. Nusbaum and Victor T. Dollery, Jr., have formed Nusbaum and Dollery, City and County Savings Bank Bldg., 100 State St. **Buffalo:** The firm name of Hoch & Denny has been changed to Hoch, Denny & Co. with the admission of Ralph D. Hoch as general partner. **New York:** Harold Keller has been admitted as general partner to Bruell and Company. . . . The firm name of Pasley & Conroy has been changed to Conroy, Smith & Co., and Wilbur Trapp has become a member of the firm. . . . William M. Landau has been admitted to partnership in Fred Landau & Co. . . . Cornelius F. Bastable and Frank J. Danahar have formed Danahar & Bastable, 149 Broadway. . . . George Shimmerlik and Saul Blecher have formed Shimmerlik and Blecher, 1440 Broadway. . . . Michael Dronsick, Leo Fine, and Michael Berman have formed Dronsick, Berman and Fine, 1451 Broadway. . . . Upon the dissolution of Gottlieb and Becker, Philip Becker is continuing practice under his own name at 545 Fifth Ave. . . . George V. Delson has retired from partnership in Jerome G. Futerman and Co. and has established independent practice with offices at 170 Broadway, New York, and 371 N. La Cienega Blvd., Los Angeles. . . . The following have been admitted to partnership in J. H. Cohn & Company (with offices in New York

and New Jersey): Irving L. Duchan, Leon Hariton, Howard J. Schlumpf, and Percival Singerman, of New York, and Theodore Cohn, Abe Deutsch, Robert L. Rocker, and Harry Rosenthal, of New Jersey.

NORTH CAROLINA — Greensboro: Manning, Perkinson & Floyd announce the opening of an office at 722 Guilford Bldg., with J. W. Sparks as partner. **Greenville:** James R. Worsley and Richard K. Worsley have formed Worsley and Worsley in the Worsley Bldg.

OKLAHOMA—Ardmore: With association of David C. Steed as partner, the firm name of Steed and Reed has been changed to Steed, Reed and Steed. **Enid:** Lawrence D. Hinman and Byron L. Moore have formed Hinman and Moore, Bass Bldg.

OREGON—Eugene: Andrew G. Iskra has been admitted as partner in the firm of Lemon and Rowan.

PENNSYLVANIA — Crafton: G. F. Cottrell has opened an office at 18 Lyons St.

SOUTH CAROLINA—Charleston: E. Roy Daniell and Thomas E. Buskirk, Jr., have formed Daniell & Buskirk, 39 Broad St.

TEXAS—Dallas: F. Leonard Davis, III, formerly with Darcy R. Bonner, has opened an office at 1101 S. Akard St.

UTAH—Salt Lake City: Robert S. Herman has opened offices at 1086 E. 21st South St. . . . J. Keith Hansen and Parley Jacobsen have formed Hansen & Jacobsen, 438 S. Main St.

WASHINGTON—Aberdeen: Sid M. Lockitch has opened offices at 236 Finch Bldg.

WISCONSIN—Milwaukee: Charles F. Pattison, Gordon E. Schroeder, and Robert M. Furber have formed Pattison, Schroeder and Furber, with offices at 324 E. Wisconsin Ave. and 176 W. Wisconsin Ave.

Code of Practice for CPAs Adopted by the Idaho Board

Rules of Professional Conduct have been issued in Idaho, the 32nd state to adopt a code of ethics as a separate code or as part of the regulations.

The code of practice adopted by Idaho's Department of Law Enforcement, acting as a board of accountancy, was essentially that approved by the Idaho Society at its annual meeting in McCall.

The action is in line with recommendations of the AIA Council and the Association of CPA Examiners that state boards should be authorized to promulgate rules of professional conduct.

Miller Scholarship Fund

Contributions from members of the Ohio Society of CPAs have largely made possible the creation of a scholarship fund in memory of the late Hermann C. Miller.

The fund will permit assistance in the amount of \$600 annually to graduate students at Ohio State University who are preparing to become teachers of accounting. It will be administered by the faculty of the university's accounting department.

Professor Miller was chairman of the department at the time of his

death last October. He had served as president of the Ohio Society, the American Accounting Association, and Beta Alpha Psi. He served on the faculty of Ohio State University for more than 30 years.

Accounting Personnel Survey

A state-wide survey of job opportunities in public accounting offices and the number of January accounting graduates has been completed by the Florida Institute of CPAs.

A new committee on personnel recruitment, headed by Ed Triplett of Orlando, was appointed last November to (1) canvass all state public accounting firms and individual practitioners for openings, (2) supply a list of these positions to January graduates, and (3) to determine the supply of accounting students graduating in January from Florida colleges and universities.

The initial study elicited 108 replies revealing 76 jobs available to January graduates. The replies were tabulated according to firm, address, and member to contact for an interview. The list was furnished to the head of the accounting department of every school and college in the state.

The committee will undertake a similar project for June graduates. Besides Mr. Triplett, its members include: John Ring, Miami; Hilburn Himes, West Palm Beach; Jack Lucas, Jacksonville; and Dick Darby, Tampa.

Telethon on Taxes

A series of 55-minute telethons on tax problems has been introduced in Augusta, Ga., by the Georgia Society of CPAs and the local office of Internal Revenue.

The first program, in January, was presented on both channels at 11:05 P.M. A panel of two CPAs and two revenue agents, moderated by William J. Bookholt, assistant district director of the IRS, was available to answer tax questions phoned in during the show.

Press coverage called the series "a phase of a nation-wide cooperative effort by Internal Revenue authorities and the American Institute of Accountants to assist the taxpayer in making his return accurately and promptly."

Staff Training Guide

The Michigan Association's committee on professional education has prepared a 15-page booklet entitled *Guide to a Practical Staff Training Program*.

Its contents include: (1) basic indoctrination for new staff members,



Guests at Rochester Chapter's public relations meeting with internal revenue agents were George T. McGowan (l), Buffalo District Director, and Alfred W. Fleming (r), New York Regional Commissioner. Allan Gilman (center), chapter vice president, chaired the meeting, attended by approximately 140.

(2) training assistants on-the-job, (3) training your staff as a group, (4) encouraging participation in professional activities, and (5) suggested topics for staff training meetings.

The booklet, which has been sent to all members of the association, also previews additional training materials scheduled for publication this spring. They are divided into eight major topics: (1) the profession of public accounting, (2) the services performed by a public accountant, (3) the audit—planning, (4) the audit—working papers, (5) examination of assets, (6) examination of liabilities, (7) examination of the

ownership section of the financial statements, and (8) examination of income and expenses.

Each of these subjects is divided into a synopsis, suggested reading assignments, and questions or cases for discussion, together with special material for the instructor.

This division, the committee claims, enables a practitioner to schedule staff training meetings in almost any fashion he chooses—short or long periods, concentrated or spaced throughout the year, and with work done during or outside office hours.

Film Donations

California chapters have donated 17 prints of the AIA career film, *Accounting—The Language of Business*, to the permanent film collections of high schools in that state.

The program was started last year in Los Angeles and has been given impetus by recent gifts of the San Francisco and East Bay chapters.

More than 25,000 students in California are expected to view the film this year.

Part-time Executives

The Tennessee and Wisconsin societies have each appointed a part-time executive secretary, bringing to 17 the number of states employing part-time executives.

William C. Henry, the new Tennessee director, is a professor of ac-

counting at the University of Tennessee in Knoxville and also chairman of the Knoxville Chapter of CPAs.

Wisconsin's John Bailey recently retired as auditor of the First National Bank of Milwaukee.

Audit of Insurance Firms

The Texas Society of CPAs has been called upon by the Texas Board of Insurance Commissioners to audit approximately 1,400 insurance companies.

The request was made because of a series of insurance company scandals involving millions of dollars. The proposed audit will attempt to weed out, within one year, any unsound insurance firms chartered and headquartered in the state.

Fladger F. Tannery, president of the Texas Society, and several members of its executive committee have held a series of meetings with members of the insurance board.

A special committee on insurance audits has been appointed to assist the society's 2,500 members in conducting the audit—in addition to their regular commitments. The committee is drafting a booklet on *Supplemental Auditing Procedures Applicable to Examinations of Texas-Chartered Insurance Companies*. The committee is also making plans to conduct seminars on the subject of insurance audits at various locations throughout the state.

Elmer O. Bischoff (AIA '26), 53, controller, Grede Foundries, Inc., Milwaukee, Wis., January 27.

L. Earl Borland (AIA '42), 55, partner Lyons, Teetzel, Wylie & Borland, Detroit, Mich., January 5.

Henry Horwitz (AIA '52), 46, Morris E. Albert & Co., Camden, N.J., December 4.

George Huling (AIA '30), 53, own account, East Orange, N.J., December 3.

Louis I. Kane (AIA '25), 62, in practice on his own account, Los Angeles, Calif., December 4.

Michael R. Lindsey (AIA '43), 52, partner, Lindsey & Kiker, Amarillo, Tex., January 28.

Laurence B. Maddison (AIA '32), 52,

own account, Scotland Neck, N.C., January 4.

John C. McNab (AIA '27), partner, Kircaldie, Randall & McNab, New Haven, Conn., January 14. President of the Connecticut Society of CPAs, 1948-49, and former president of the Connecticut State Board of Accountancy, on which he served for six years.

John H. Tedford (AIA '48), 60, Schapiro & Schapiro, New York City, November 16.

George W. Troost (AIA '47), 53, financial vice president and director, Chrysler Corp., Detroit, Mich., January 24.

Albert C. Wilson (AIA '49), 61, U. S. Bureau of Internal Revenue, Atlanta, Ga., December 30.

Applicants Recommended for Membership

The committee on admissions recommends admission of 198 applicants. They do not become members until voted upon by the Council and declared elected by the president. If protest is to be made against any applicant, it should reach the Institute on or before March 22, 1956.

ARIZONA—Phoenix: Marlow D. Davis.

CALIFORNIA—Beverly Hills: Arnold H. Robinson. **Concord:** Edward W. Koskinen. **Coronado:** Walter Scott Albright, Jr. **Fresno:** James John Hendrick, Jr.

Garden Grove: Kenneth L. Magnuson. **Hollywood:** Nathaniel Stoller. **Long Beach:** Nile M. Bunch. **Los Angeles:** Henry H. Helms, Harry E. Knight, DeOtis L. Marlett, Don Alden Nelson, Richard Henry O'Hara, Frederick J. Stevens. **Oakland:** William James Boyle.

Sacramento: William J. Essary, Marshall David Joelson, Wendell James Pomares, William Toms. **San Francisco:** Joseph A. Chickerella, Donald K. Stites, Bernard K. Varney.

COLORADO—Denver: Thomas Packard Brock, R. Walter Dunn. **Englewood:** Glenn R. Combellick.

CONNECTICUT—Hartford: Horace E. Gale. **Norwalk:** Bernard Newman. **Stamford:** Herbert W. Quint.

DELAWARE—Wilmington: Sol Balick. **DISTRICT OF COLUMBIA:** Robert B. Boyden, Samuel J. Elson, M. Albert Johnson, David Ruditz.

FLORIDA—Homestead: Rose P. Kublin. **Jacksonville:** John E. Icenhour, Bradley L. Redwine. **Key West:** Orvis M. Kemp. **Miami:** Irvin M. Goldstein. **Miami Beach:** Herbert Buchwald, Charles K. Grab.

GEORGIA — Cartersville: Marion Wingfield Morris. **McIntyre:** Thomas P. Fox. **Vadalia:** Flannery M. Salter.

IDAHO—Wallace: John R. Matthews. **ILLINOIS—Chicago:** David Amendola, Melvin J. Bressman, F. C. Crall, Irving I. Gabler, Edward C. Hochmuth, Law-

rence Arthur Isaac, Martin J. Stone, Martin Thomas Walsh.

INDIANA—Anderson: Raymond Precup. **South Bend**: John J. Pairitz, Jr.

IOWA—Des Moines: Willard C. Randol, Donald F. Roby, Robert Lee Schultze. **Ottumwa**: William E. Beck.

KANSAS—Parsons: Jay C. Westervelt.

KENTUCKY—London: Fred W. Christian.

LOUISIANA—New Orleans: Albert J. Derbes, Jr., Milton A. Stockton.

MAINE—Millinocket: Allan E. Symonds.

MARYLAND — Hagerstown: R. C. Goins.

MASSACHUSETTS—Boston: Martin D. Braver, Victor G. Dugal, Alfred C. Farrell, Charles I. Frey, Stephen J. Grabowski, Eugene F. Hickey, Warren J. Hynes, Claude R. LaPlante, Donald V. Morse, Donald E. Phelps, Jack J. Rose, Thomas A. Sullivan, Eliot A. Tanner. **Dorchester**: Richard J. Leonard. **Fall River**: Fred W. Czerwonka. **Peabody**: Hyman Goldfarb. **Springfield**: Charles I. Dorman.

MICHIGAN—Detroit: Harold Howard Sweet.

MINNESOTA—Duluth: Walter Hermann Rauschenfels. **Minneapolis**: Carl K. Somekawa.

MISSISSIPPI—Byhalia: W. Lanier Ferguson, Jr.

MISSOURI—Kansas City: Hugh G. Francis, Albert E. Sager. **St. Louis**: Leon M. Dardick, Richard K. Gohr, Thomas Logan Holling, Dorsey Wallenmeyer. **University City**: Harry M. Silberman.

NEVADA—Las Vegas: Jerry Engel, Philip Engel.

NEW JERSEY—Atlantic City: Wm. E. Rumbarger. **Clifton**: P. J. Hasselberger, Jr. **Jersey City**: Walter H. Frueh. **Lakewood**: David Pinsker. **Newark**: Jeremiah G. Ford, James W. Gentles, Jr., Irving

Golden, Michael Mushalko, Gilbert Raff.

NEW MEXICO—Albuquerque: Perry T. Mori. **Socorro**: Darl L. Beckham.

NEW YORK—Albany: June Eugenie Price. **Auburn**: Charles E. Downey.

Brooklyn: Daniel L. Lieberman. **Buffalo**: Daniel Joseph, William H. Weber.

Long Island City: Robert J. Preis. **New York**: Mariano V. Anzo, John

J. Bernard, Robert Elliott Bowman, Harold Cohan, Bernard R. Cohen, Harold L. Dubers, Joseph Fagen, Carl S. Forchieskie, Joseph H. Gamache, Jr., Bernard Goldberg, Clarence Goldberg,

Henry G. Harvey, William Jelinek, Wallace Kandell, Burton Theodore Lefkowitz, Anthony J. McAniff, J. Howard McGloon, Paul Henry Novy, Jules Peretz,

Richard Leo Ryan, Roland Utenwoltd, Joseph Anthony Vitanza, David Weingard, Martin Weitz, Lester P. J. White, Myron Wilner, Walter Blaine Wilson,

Alvin Harold Zuckerkorn. **Niagara Falls**: Robert L. Read. **Rochester**: Frank L. Foote, John F. Heveron, Richard A. Johnston. **Schenectady**: David J. McGibbon.

NORTH CAROLINA—Charlotte: William M. Walpole. **Henderson**: Snethen P. Harris, Jr.

OHIO—Cincinnati: Carl A. Hessel. **Cleveland**: Robert Norman Dantio,

Henry P. Gottschall, Milton J. Silver, Franklin J. Steiner, James L. Trawick.

Dayton: William J. Serraino.

OKLAHOMA—Oklahoma City: Francis M. Tarpley. **Tulsa**: Maurice G. Duncan, George B. Reno.

OREGON—Portland: David M. Teeter. **Salem**: Lyle H. Montgomery.

PENNSYLVANIA—Philadelphia: Patrick H. Arter, Jr., Paul Jay Cohen.

Pittsburgh: John E. Kolesar, Frank J. Weisser.

RHODE ISLAND—Providence: William J. Cain, Jr., Charles Hamilton Davison, Herbert Gordon Waters.

TENNESSEE—Knoxville: Guy L. LaChine. **Memphis:** John O. Holbrook, Clyde Orem, James Evertson Threlkeld. **TEXAS—Austin:** Marlin D. Bownds, Glenn A. Welsch. **Dallas:** Arthur L. Brown, Jr., Milton A. Cockerill. **Houston:** Harold E. Graham, Edward Hayward John, Byron W. Luckenbach, Gordon S. Moore, Carlyle G. Schumann, Shirley W. Scurlock, Jr. **Pasadena:** Fox H. Hollis, Jr. **Wichita Falls:** Eldon W. Daves, Joe Atkins Gay. **UTAH—Provo:** Robert V. Sanders. **VIRGINIA—Alexandria:** Robert Lloyd Harris. **WASHINGTON—Seattle:** Richard C.

Brewer, John S. Halsey, S. Dean Smith. **Spokane:** R. M. Steele. **Tacoma:** Arthur J. McCourt.

WEST VIRGINIA—Wheeling: Harry E. Foose.

WISCONSIN — Cudahy: Gilbert F. Backes. **Madison:** John Miles Strickland. **WYOMING—Rawlins:** Eugene R. Reyn-
ders.

HAWAII — Honolulu: Akira Koba, George Matsuda. **Lihue, Kauai:** Ted Hisashi Miyahara.

SOUTH AFRICA—Capetown: C. G. Mercy.

TURKEY — Ankara: Arthur Stanley
Rocker.

**The Certified Public Accountant
The American Institute of Accountants
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... from the

The Treasury Department statement of January 30, 1956*, seems clearly to confirm the long-established practice of certified public accountants before the Department and to provide security against attempts to restrict that practice. There is every reason to hope that this will provide a basis for close cooperative relations between the legal and accounting professions and the settlement of differences between them by friendly negotiation, without public controversy.

The professional status of certified public accountants has

* See *The Journal of Accountancy*, March 1956, p. 2, and the editorial in the April issue, p. 29.



executive director's desk



been greatly strengthened, and its recognition greatly widened, by recent developments. Their professional responsibilities will consequently receive increasing attention. The future opportunities of CPAs will depend largely on the work done in the years immediately ahead to improve the organization of the profession, its technical and ethical standards, and the competence of its members.

It is hard to avoid complacency after a decade of unparalleled growth, progress, and prosperity. But much remains to be done before certified public accountants can claim equal status with the older professions.

Educational standards must be raised. The code of ethics should be amplified and more vigorously enforced. Able young people must be recruited. Continuing education for practitioners must be provided. Accounting and auditing standards must be maintained. Expanding opportunities for services to management should be explored. Relations with other professional, business, and financial groups and government agencies which have some influence on accounting should be strengthened. The public should be informed of what CPAs are doing.

The Institute and the state societies are working hard, every

(Continued on next page)

day, to achieve these objectives. Major projects have been launched in each area.

But what they do will be fruitful only to the extent that individual CPAs accept, support, and apply the results. Only as professional standards, principles, and policies are reflected in the actual practice of certified public accountants do they take on reality and cease to be simply unread words.

This is a plea to individual members to take an active part in the great forward movement of the next few years. Keep informed. Read the publications, attend the meetings. Contribute your own opinions on the issues of the day, see that able leaders are selected, accept professional assignments when offered. Above all, in your own practice, use the tools your profession makes available.

The whole is the sum of its parts. The profession is you, and you are the profession. How can one get ahead without the other?

A handwritten signature in black ink, reading "John A. Alley". The signature is written in a cursive style with a large, looping initial "J" and a long, sweeping underline.

New Committee Appointed To Serve Staff Men in AIA

A new committee to serve the 6,000 staff accountants in the Institute's membership has been appointed by President John H. Zebley, Jr. Named the advisory committee of staff accountants, it is composed of six staff accountants assisted by David H. Lanman, Jr., AIA Assistant Administrative Secretary.

The committee will recommend to the executive committee means of providing increased participation and service for accountants of the staffs of public accounting firms. It will review all present Institute activities, to consider modifying or extending them, and suggest new projects.

The following suggestions already have been made:

1. A questionnaire to solicit suggestions from staff accountants.
2. Review of representation of staff assistants on AIA committees.
3. Ways of increasing the number of staff assistants in the membership.
4. Use of staff members in recruiting new personnel in the profession.
5. Consideration of a division in the American Institute for younger members.
6. Contributions staff accountants can make in accounting education.

Members of the new committee

are Robert L. Starks, New York, *Chairman*; Stanley Davis, California; John C. R. Hofferbert, Pennsylvania; Robert M. Maynard, New York; Francis J. Speyer, Illinois; and William P. Stich, Jr., Louisiana. They would welcome suggestions from other staff accountants relating to the committee's work.

Legal Responsibility Course

Materials for a new continuing education course on the legal responsibility of accountants have been drafted and will be tried out this spring in New York.

This is the third of a series planned by the AIA's education committee and the education department. Additional courses are in preparation.

Evaluation of the tax practice course, given for the first time this fall in Los Angeles, Calif., and Columbus, Ohio, indicate that the course was well received.

The tax practice course and the report writing course, administered by nine chapters last fall, are both available for spring classes.

New Handbook Edition

A special edition of the *CPA Handbook* will be published by the

round-up of the news

Institute next month.

Features of the new edition:

¶ Permanently bound in hard covers instead of the former post binders.

¶ Complete in two volumes of approximately 900 pages, as opposed to two and a supplement. (This condensation was accomplished by omitting AIA publications available elsewhere—e.g., *Codification of Statements on Auditing Procedure* and *Accounting Research Bulletins*.)

¶ Priced at \$12.50—a \$5.50 reduction from the previous cost.

Despite the change in the price and appearance of the *Handbook*, there have been no revisions other than minor changes in the chapter on "Tax Practice."

Article on Financial Statements

Every commercial bank in the country—there are approximately 16,000—has received a reprint of an article stressing the importance of securing financial statements by CPAs before lending money to small businesses.

These reprints of "Figures for the Small Businessman" are being distributed by Robert Morris Associates. The enclosing letter from RMA President James T. Overbey states that additional copies, for distribution to the bank's borrowers, may be obtained from the American Institute. More than 7,000 copies have already been ordered.

The article was written by Milton J. Drake, vice president of The Detroit Bank and a past president of RMA, at the suggestion of the AIA public relations department. It was first published in the October issue of *The Midwestern Banker*.

Auditing Procedure Study

Case Study No. 10 in *Auditing Procedure*, "A Smaller Commercial Finance Company," has been released by the Institute's research department.

This is one of a series of case studies sponsored by the committee on auditing procedure to illustrate the actual application of auditing procedures. The company examined in the pamphlet grants loans secured by a pledge of accounts receivable which are created by the borrower in the normal course of business.

Case Study No. 10—43 pages—is available from AIA for 50¢ a copy. Single copies have been distributed free to members.

Review of Tax Practice

The relations between CPAs and lawyers will be one of the chief topics at the spring meeting of the American Institute's Council which is scheduled to meet April 16-19.

The possibility of establishing joint machinery for inter-professional co-

(continued on page 7)

AT 9 a.m. on April 16, AIA President John H. Zebley, Jr., will call to order the spring meeting of the Institute's Council.

In reviewing the work of the organization through the last six months and in charting its future course, the AIA's governing body will have the benefit of many differing points of view.

The membership of this legislature of the accounting profession includes:

Six officers of the Institute.

Seventy-two elected members—allocated generally on a basis designed to give representation to states, territories and possessions of the U.S. as nearly as possible in proportion to their AIA membership.

Nine members-at-large—elected without regard to location.

Ex-officio members—past presidents of the American Institute and of its predecessor organizations (at present—22 ex-officio members).

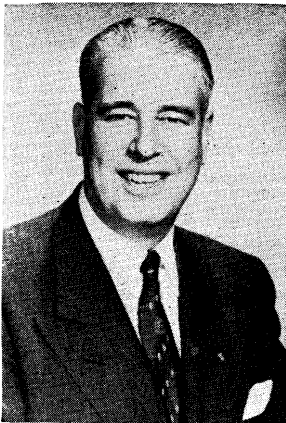
Fifty-two members of the AIA who are presidents of their state societies or societies of U.S. territories and the District of Columbia.

These 161 men have the ultimate responsibility for the management of the Institute—a responsibility which none of them takes lightly. For they know that the actions of the Institute can have a profound effect upon the professional lives of its more than 27,000 members.

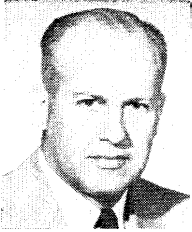
But the members, too, have an obligation—an obligation to make known their views to guide the deliberation of the Institute's top-policy group.

It is hoped that this supplement, authorized for the fourth year by the AIA executive committee, will encourage many of you to get in touch with your Council representatives before their departure for the spring meeting. You can be sure that your messages will be welcome. And in sending them, you will be helping to insure that the Institute remains fully responsive to the needs of its members.

April 1956



John H. Zebley, Jr. (1930), Turner, Crook and Zebley, Philadelphia, Pa. President of the Institute, 1955-56; past vice president, 1950-51. Mr. Zebley has served as chairman of the Institute committees on state legislation, professional ethics, independence of accountants, cooperation with the Securities Exchange Commission. He has headed the Board of Examiners and served on the executive committee. He has also served several terms as a member of the Institute's trial board. Mr. Zebley is a past-president of the Pennsylvania Institute of Certified Public Accountants, past vice president of the American Accounting Association, and a member of the National Association of Cost Accountants. From 1953-55 he served as co-chairman of the Pennsylvania Conference of Lawyers and Certified Public Accountants. He entered public accounting in 1917 and has been with his present firm since 1919.



Dixon Fagerberg, Jr. (1935), individual practitioner, Phoenix, Ariz. Vice president of AIA, 1955-56. Member, AIA executive committee. Past president, Arizona Society. Editor, "Practitioners Forum," *The Journal of Accountancy*.



John A. Lindquist (1938), Ernst & Ernst, Cleveland, Ohio. Vice president of AIA, 1955-56. Member, AIA executive committee. Chairman, AIA committee on accounting procedure. Former member, AIA committee on auditing procedure. Former director, New York State Society.



J. S. Seidman (1936), Seidman & Seidman, New York, N.Y. Vice president of AIA, 1955-56. Member, AIA executive committee. Chairman, AIA committee on federal taxation. Former member, AIA committees on accounting principles, auditing procedures, governmental accounting, accounting for income tax purposes, and national defense. Past president, New York State Society.



Robert E. Witschey (1942), Robert E. Witschey & Co., Charleston, W. Va. Vice president of AIA, 1955-56. Member, AIA executive committee. Former chairman, AIA advisory committee of local practitioners. Former member, AIA committee on *CPA Handbook*.



William M. Black (1931), Peat, Marwick, Mitchell & Co., New York, N.Y. Treasurer of AIA, 1953-54, 1954-55, 1955-56. Member, AIA executive committee and committee on budget and finance. Former chairman, AIA committees on budget and finance, cooperation with SEC, and accountants' liability and liability insurance.



James C. Addison (1931), James C. Addison and Company, Des Moines, Iowa. Past president and vice president of the Iowa Society.



R. D. Ashman (1940), Ernst & Ernst, Cleveland, Ohio. Past president and director, Ohio Society. Former member, AIA committee on accountants' liability and liability insurance.



T. Coleman Andrews (1923), Chairman of the Board, American Fidelity & Casualty Co., Inc., Richmond, Va. Former Commissioner of Internal Revenue. Past president of AIA, 1950-51; past vice president.



Michael D. Bachrach (1922), Bachrach, Sanderbeck & Company, Pittsburgh, Pa. Past president, Pennsylvania Institute. Member, AIA committee on relations with the bar. Former member, federal taxation committee.



J. D. P. Arnold (1933), Arnold, Keller & Smith, Birmingham, Ala. Past president, Alabama Society and Birmingham Chapter. Past president, Southern States Accountants Conference.



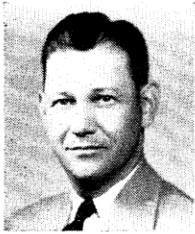
George D. Bailey (1922), Touche, Niven, Bailey & Smart, Detroit, Mich. Past president of AIA, 1947-48. Member, AIA trial board and committee on relations with the bar. Former chairman, AIA committee on accounting procedure.



Samuel J. Arnold (1949), S. J. Arnold & Co., Gallup, N.M. President, New Mexico Society. Member, AIA advisory committee of local practitioners.



Palmer C. Bakken (1930), individual practitioner, Bismarck, N.D. President, North Dakota Society. Past president, North Dakota state board of examiners.



Ralph R. Bartsch (1948), Zarini, Bartsch & Martin, Denver, Colo. President, Colorado Society; past vice president and secretary-treasurer.



Newell A. Briggs (1952), Briggs, Keyes & Company, Burlington, Vt. President, Vermont Society.



A. J. Bloodsworth (1927), Price Waterhouse & Co., Detroit, Mich. Past president and director, Michigan Association.



Samuel J. Broad (1921), Peat, Marwick, Mitchell & Co., New York, N.Y. Past president of AIA, 1944-45; past vice president, 1939-40. Former chairman, AIA accounting personnel committee.



Russell S. Bock (1942), Ernst & Ernst, Los Angeles, Calif. Past president, California Society. Member, AIA committee on nominations and trial board. Former member, committees on state legislation, federal taxation, and meetings.



Donald W. Brown (1946), Warner and Godfrey, Tulsa, Okla. President, Oklahoma Society. Past president, Tulsa Chapter.



Ben W. Brannon (1945), Mount & Carter, Atlanta, Ga. President, Georgia Society. Past chairman, Atlanta Chapter. Member, AIA committee on membership.



Percival F. Brundage (1921), Bureau of the Budget, Washington, D.C. Past president of AIA, 1948-49, and Massachusetts Society. Member, AIA trial board. Former chairman, AIA committee on relations with the bar.



Otto P. Butterly (1947), Price Waterhouse & Co., Denver, Colo. Past president, Colorado Society. Former member, AIA committee on state legislation.



C. Arnold Carlson (1948), Peat, Marwick, Mitchell & Co., Des Moines, Ia. Former vice president, Iowa Society.



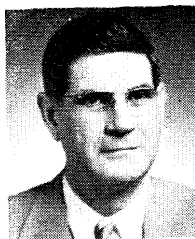
Curtis H. Cadenhead (1944), Haskins & Sells, Dallas, Tex. Member, AIA committee on professional statistics. Director and past president, Texas Society and Dallas Chapter. Former member, AIA committee on meetings.



Harold L. Child (1935), Wood, Child, Mann & Smith, Salt Lake City, Utah. Past president, Utah Association. Former member, AIA advisory committee of local practitioners.



Harold R. Caffyn (1926), Hurdman and Cranstoun, New York, N.Y. President, New York State Society. Former treasurer of the Institute.



Albert Christen (1934), Christen, Brown, McCroskey & Rufer, Louisville, Ky. President, Kentucky Society. Former member, AIA advisory committee of local practitioners.



Robert Caldwell (1941), Charles S. Rockey & Co., Philadelphia, Pa. Past president, Pennsylvania Institute. Member, AIA committee on accounting procedure.



B. W. Cochran (1944), Peat, Marwick, Mitchell & Co., Washington, D.C. President, District of Columbia Institute; former vice president, secretary, and treasurer.



James L. Cockburn, Jr. (1936), Price Waterhouse & Co., San Francisco, Calif. Treasurer and past president, California Society. Former member, AIA membership committee.



Clem W. Collins (1911), Collins, Peabody and Masters, Denver, Colo. Past president of AIA, 1937-38, 1938-39. Member, Commission on Standards of Education and Experience for CPAs and AIA trial board.



Charles B. Couchman (1914), consultant, Peat, Marwick, Mitchell & Co., New York, N.Y. (Retired from active practice in 1947). Past president of AIA, 1930-32. Former chairman, board of examiners and committee on cooperation with bankers.



E. C. Daniels (1925), LeMaster & Daniels, Spokane, Wash. Past president, Washington Society. Member, AIA advisory panel on uniform CPA examination.



M. T. Deaton (1940), M. T. Deaton and Company, Pocatello, Idaho. Idaho state chairman, AIA membership committee. Past president, Idaho Society. Former member, AIA committee on natural business year.



William S. Deeming (1936), Scovell, Wellington & Company, Chicago, Ill. Past president, Illinois Society. Member, AIA executive committee. Former member, AIA committee on cooperation with bankers.



Everett W. Delaney (1942), J. William Hope & Company, Bridgeport, Conn. Past president, Connecticut Society. Former member, AIA committees on membership and coordination of activities of state and national organizations.



Fred C. Dennis (1922), Lybrand, Ross Bros. & Montgomery, Cincinnati, Ohio. President, the Ohio Society.



Samuel J. Duboff (1946), S. D. Leidesdorf & Co., New York, N.Y. Chairman, AIA subcommittee on personnel testing. Director, New York State Society.



George P. Ellis (1922), Wolf and Company, Chicago, Ill. Past president, American Society of CPAs. Past vice president of AIA, 1942-43. Former chairman, AIA committees on federal taxation and governmental accounting.



Herbert C. Dunn (1947), Cameron, Tennent & Dunn, Honolulu, Hawaii. Past president, Hawaii Society.



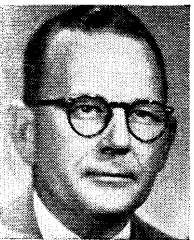
Samuel W. Eskew (1926), Eskew, Gresham & Diersen, Louisville, Ky. Past vice president of AIA, 1952-53. Former chairman, AIA committee on interstate practice. Former member, AIA committee on cooperation with bankers.



Mark W. Eastland (1946), Rex Meighen & Company, Tampa, Fla. President, Florida Institute. Member, AIA committee on interstate practice.



John P. Fitzgerald (1942), individual practitioner, Minneapolis, Minn. President, Minnesota Society. Former member, AIA committees on membership and public relations.



Marquis G. Eaton (1931), Eaton & Huddle, San Antonio, Tex. Past vice president of AIA. Past president, Texas Society. Member, AIA executive committee. Formerly on committee on management services by CPAs.



Robert L. Floyd (1946), Arthur Young & Company, Toledo, Ohio. Past president, Ohio Society. Member, AIA committee on coordination of state and national organizations. Formerly on editorial advisory board.



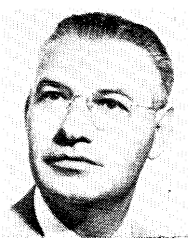
John F. Forbes (1906), John F. Forbes & Company, San Francisco, Calif. Past president of AIA, 1932-34; past vice president, 1925-26.



C. C. Gabrielson (1933), Gabrielson, O'Sullivan, Poulson and Company, Los Angeles, Calif. Past president, California Society. Member, AIA committee on admissions. Former chairman, natural business year committee.



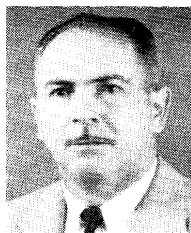
Arthur B. Foye (1927), Haskins & Sells, New York, N.Y. Past president of AIA, 1953-54; vice president, 1951-52. Member, AIA executive committee. Former chairman, AIA publication and foreign affairs committees.



Benjamin H. Garb (1936), individual practitioner, Trenton, N.J. President, New Jersey Society.



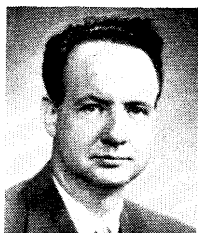
Ira N. Frisbee (1923), Ira N. Frisbee & Co., Beverly Hills, Calif. Member, Commission on Standards of Education and Experience for CPAs and AIA professional ethics committee. Past vice president of AIA, 1954-1955.



Rafael Garcia-Moreno (1951), individual practitioner, San Juan, P.R. President, Puerto Rico Institute.



R. York Funston (1953), Conway, Moe, Hibbs & Funston, Las Vegas, Nev. President, Nevada Society; past vice president and secretary-treasurer.



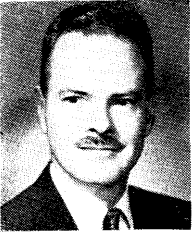
William D. Gasser (1943), Miller, Franklin, McLeod and Company, Rochester, N.Y. Director, New York State Society. Past president, Rochester Chapter.



Donald E. Gill (1928), individual practitioner, Madison, Wis. Member, AIA subcommittee on current tax legislation; formerly on advisory committee of local practitioners. Director, Wisconsin Society; former chairman, Madison Chapter.



T. N. Grice (1942), W. M. Russ and Company, Raleigh, N.C. Past president, North Carolina Association. Former member, AIA committee on public relations.



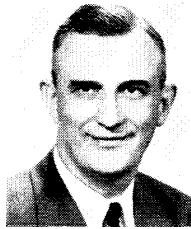
James M. Gilman, Jr. (1946), George Black & Company, Portland, Ore. President, Oregon Society; past vice president and treasurer.



Frank A. Gunnip (1950), Frank A. Gunnip & Company, Wilmington, Del. President, Delaware Society; past secretary.



John S. Glenn, Jr. (1936), John S. Glenn and Associates, Nashville, Tenn. Past president, Tennessee Society. Former chairman, Nashville Chapter.



Paul R. Hagelbarger (1935), Hagelbarger & Co., Fairbanks, Alaska. President, Alaska Society.



L. C. Gooch, Jr. (1947), Dick D. Quin & Company, Jackson, Miss. President, Mississippi Society.



Earl W. Hammill (1943), L. W. Van Natta & Company, Racine, Wis. President, Wisconsin Society. Former chairman, Milwaukee Chapter.



John H. Hanover (1939), Lees, Baer & Hanover, Providence, R.I. President, Rhode Island Society; past vice president, secretary-treasurer. Former member, AIA committees on by-laws and natural business year.



A. M. Hart (1948), A. M. Hart and Company, Newark, N.J. Past president, New Jersey Society. Member, AIA committee on awards. Former member, AIA committee on arbitration.



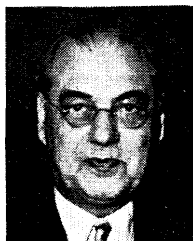
Joseph J. Hartnett (1950), Seward and Monde, New Haven, Conn. President, Connecticut Society.



Thomas G. Higgins (1937), Arthur Young & Company, New York, N.Y. Member, AIA committees on professional ethics and investments. Former member, AIA executive committee and committee on accounting procedure.



Gordon M. Hill (1926), Haskins & Sells, New York, N.Y. Member, AIA trial board and committee on accountants' liability and liability insurance. Former chairman, committee on auditing procedure.



David Himmelblau (1914), David Himmelblau & Co., Chicago, Ill. Past president, American Accounting Association, Illinois Society. Former member, AIA committee on accounting procedure.



Darrell Hodge (1941), Darrell Hodge & Company, Sacramento, Calif. Former director, vice president, California Society. Past president, Sacramento Chapter. Former member, AIA membership committee.



Cal P. Hollis (1944), Hollis and McClain, Pine Bluff, Ark. President, Arkansas Society. Member, AIA advisory panel on the uniform CPA examination. Past president, Arkansas State Board of Accountancy.



J. William Hope (1927), J. William Hope & Co., Bridgeport, Conn. Past president of AIA, 1951-52; vice president, 1948-49. Chairman, AIA trial board; trustee, benevolent fund. Former chairman, AIA committee on budget and finance.



Harry M. Jay (1908), Harry M. Jay & Associates, Memphis, Tenn. Past president, American Society of CPAs, Tennessee Society, and Tennessee state board of accountancy. Chairman, AIA history committee.



Charles A. Hoyler (1938), Hurdman and Cranstoun, New York, N.Y. Member, AIA committee on admissions. Former member, AIA editorial advisory board and committees on meetings and by-laws.



Kay J. Jennell (1944), Haskins & Sells, Charlotte, N.C. President, North Carolina Association; former director and vice president.



William P. Hutchison (1946), William P. Hutchison & Co., Portland, Ore. Member, AIA committee on cooperation with bankers. Past president, Oregon Society. Former member, committee on coordination of activities of state, national organizations.



Alvin R. Jennings (1935), Lybrand, Ross Bros. & Montgomery, New York, N.Y. Past vice president of AIA, 1945-55. Chairman, AIA committee on budget and finance. Former chairman, committee on auditing procedure.



John B. Inglis (1934), Price Waterhouse & Co., New York, N.Y. Member, AIA executive committee. Former chairman, committee on relations with SEC.



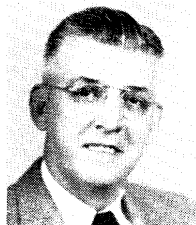
Philip G. Johnson (1941), individual practitioner, Lincoln, Neb. Past president, Nebraska Society. Member, AIA committee on federal taxation.



Anthony F. Kearney (1945), individual practitioner, Boston, Mass. President, Massachusetts Society; past vice president and secretary. Former member, AIA advisory committee of local practitioners and board of examiners.



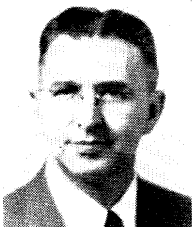
I. H. Krekstein (1926), Laventhol, Krekstein & Co., Philadelphia, Pa. President, Pennsylvania Institute. Former member, AIA editorial advisory committee and committee on federal taxation.



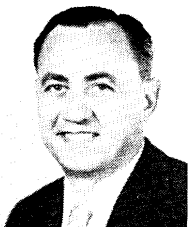
Guy S. Kidwell (1939), individual practitioner, Hagerstown, Md. President, Maryland Association; past vice president and treasurer.



John J. Lang (1919), John J. Lang and Co., St. Louis, Mo. Past president, Missouri Society. Former member, AIA board of examiners.



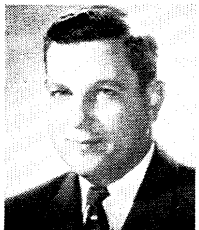
Chris H. King (1949), Brown, Regan & King, Birmingham, Ala. President, Alabama Society. Past president, Birmingham Chapter.



Carl Lipoff (1944), Lipoff & Sharlip, Kansas City, Mo. President, Missouri Society. Member, policy subcommittee of AIA membership committee.



C. Alvin Koch (1935), Touche, Niven, Bailey & Smart, Chicago, Ill. Former director, Illinois Society. Former member, AIA committees on auditing procedure and education.



Clarence W. Long (1942), Ernst & Ernst, Indianapolis, Ind. President, Indiana Society; past secretary and treasurer.



S. Del Low (1947), Wells, Baxter & Miller, Boise, Idaho. President, Idaho Society; past director and vice president.



J. Woodrow Mathews (1934), Price Waterhouse & Co., Pittsburgh, Pa. Member, AIA trial board and committee on interstate practice. Former member, AIA committee on auditing procedure. Past president, Pennsylvania Institute.



Paul W. Lukens (1941), Coe, Lukens & O'Donnell, Wilmington, Del. Past president, Delaware Society. Member, AIA committee on public relations.



Waldo Mauritz (1943), Peat, Marwick, Mitchell & Co., Chicago, Ill. President, Illinois Society; past vice president and director. Member, AIA committee on governmental accounting.



Harry E. Lunsford (1922), Arthur Young & Company, Kansas City, Mo. Past president, American Society of CPAs. Former member, AIA committee on administration of income-tax laws.



Ralph B. Mayo (1916), Arthur Young & Company, Denver, Colo. Past vice president of AIA, 1947-48. Chairman, AIA committee on cooperation with the Bureau of Economic Research. Former chairman, AIA committee on awards.



Homer L. Luther (1936), individual practitioner, Houston, Tex. Member, AIA committee on accounting procedure. Former chairman, AIA advisory committee of local practitioners. Past member, committee on meetings.



John J. McIsaac (1936), Spark, Mann & Company, Boston, Mass. Member, AIA committee on professional ethics. Former member, AIA executive committee and committee on budget and finance. Past president, Massachusetts Society.



Norman Loyall McLaren (1922), Haskins & Sells, San Francisco, Calif. Past president of AIA, 1941-42; vice president, 1935-36. Past president, California Society. Former member, AIA committee on national defense.



Hugh M. Mercer (1940), Price Waterhouse & Co., Atlanta, Ga. Past president, Georgia Society. Formerly chairman of Atlanta Chapter and member of executive committee of Southern States Accountants Conference.



J. Sydner Mitchell (1944), Mitchell, Wiggins & Smith, Richmond, Va. Past president, Virginia Society. Former member, AIA committee on state legislation.



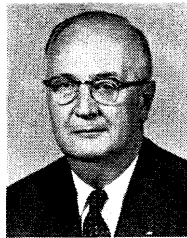
Clifton A. Morvant (1947), Denis A. Barry and Company, New Orleans, La. President, Society of Louisiana CPAs. Chairman, AIA committee on coordination of state and national organizations.



M. C. Mundell (1950), Dean, College of Commerce and Industry, University of Wyoming, Laramie, Wyo. President, Wyoming Society; past vice president.



Robert J. Murphey (1934), Murphey and Nash and Jones, Decatur, Ill. Chairman, AIA public relations committee. Member, AIA trial board.



George W. Myers (1941), Sanford, Myers & DeWald, Fort Wayne, Ind. Past president and director, Indiana Association. Former member, AIA advisory committee of local practitioners.



Fred T. Neely (1942), Fred T. Neely & Co., Greenwood, Miss. Past president, Mississippi Society. Member, AIA editorial advisory board. Former member, AIA advisory committee of local practitioners.



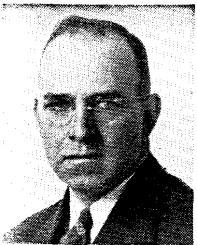
J. M. Neumayer (1925), Haskins & Sells, Kansas City, Mo. Past president, Missouri Society and St. Louis and Kansas City chapters. Member, AIA committee on professional ethics. Former member, AIA committee on cooperation with bankers.



S. E. Newman (1949), Newman, Pardoe and Company, Salt Lake City, Utah. President, Utah Association; past vice president and secretary-treasurer. Member, AIA committee on admissions.



John B. Norberg (1939), Hamma and Nelson, Los Angeles, Calif. President, California Society. Past president, Los Angeles Chapter. Former member, AIA committees on cooperation with bankers, interstate practice, and membership.



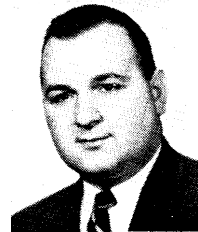
Edmund L. O'Brien (1938), E. L. O'Brien and Company, Providence, R.I. Past president, Rhode Island Society. Former chairman, Rhode Island Board of Accountancy. Formerly on AIA advisory panel on uniform CPA examination.



George S. Olive, Sr. (1919), Geo. S. Olive & Co., Indianapolis, Ind. Past president of AIA, 1942-43; vice president, 1941-42. Past president, Indiana Association. Member, AIA history committee.



Fred G. Page (1936), Osborn and Page, Nashville, Tenn. Past president, Tennessee Society and Southern States Accountants Conference. Member, AIA committee on auditing procedure.



Jordan C. Pappas (1951), individual practitioner, Morgantown, W. Va. President, West Virginia Society.



Russel A. Pearson (1945), Pearson and Verhoef, Seattle, Wash. President, Washington Society.



Herman C. J. Peisch (1924), individual practitioner, Minneapolis, Minn. Past president, American Society of CPAs and Minnesota Society. Past chairman, Minnesota state board of accountancy.



Maurice E. Peloubet (1920), Pogson, Peloubet & Co., New York, N.Y. Past vice president of AIA, 1940-41. Member, AIA committee on national defense and insurance committee. Former chairman, AIA board of examiners.



L. H. Penney (1924), L. H. Penney & Co., San Francisco, Calif. Past president, California Society. Member, AIA executive committee. Former member, AIA committee on auditing procedure.



Donald P. Perry (1923), Lybrand, Ross Bros. & Montgomery, Boston, Mass. Chairman, AIA Board of Examiners. Chairman, Commission on Standards of Education and Experience for CPAs. Chairman, Massachusetts Board of Registration.



John A. Peyroux, Jr. (1933), J. K. Byrne & Co., New Orleans, La. Past vice president of AIA, 1953-1954. Past president, Society of Louisiana CPAs. Member, AIA committee on arbitration.



J. A. Phillips (1928), Phillips, Sheffield, Hopson & Lewis, Houston, Tex. Past president of AIA, 1952-53; vice president, 1943-44. Member, AIA trial board.



Louis H. Pilié (1924), Barton, Pilié, Jones & Wermuth, New Orleans, La. Member of AIA executive committee. Past president, Society of Louisiana CPAs. Formerly on AIA committee on state legislation.



Abraham H. Puder (1924), Puder & Puder, Newark, N.J. President, New Jersey state board of public accountants. Former member, AIA committee on bankruptcy and reorganization.



S. Clark Pyfer (1949), Galusha, Higgins & Galusha, Helena, Mont. President, Montana Society. Member, AIA committee on membership. Past president, Helena Chapter.



Mark E. Richardson (1936), Lybrand, Ross Bros. & Montgomery, New York, N.Y. Past vice president of AIA, 1952-53. Formerly, co-chairman, National Conference of CPAs and Lawyers and chairman of AIA tax committee.



Laird A. Racey (1947), Racey & Walmsley, Phoenix, Ariz. President, Arizona Society.



W. H. Richardson, Jr. (1947), Somerville & Company, Huntington, W. Va. Past president, West Virginia Society and Huntington Chapter.



Robert W. Redlin (1948), Peat, Marwick, Mitchell & Co., Detroit, Mich. President and director, Michigan Association.



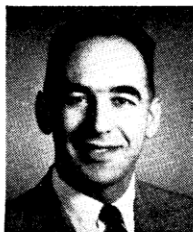
W. A. Richel (1948), Paxson & Richel, Topeka, Kan. President, Kansas Society.



John E. Rich (1943), John E. Rich & Company, Concord, N.H. President, New Hampshire Society. Member, AIA advisory committee of local practitioners.



R. Warner Ring (1935), Ring, Mahony & Arner, Miami, Fla. Past president, Florida Institute. Member, AIA trial board and committee on awards. President, Southern States Accountants Conference.



Stanley Rosch (1953), Young, Lambertson & Pearson, Honolulu, Hawaii. President, Hawaii Society; past vice president and director.



Samuel W. Sinderson (1935), Sinderson, Henning & Mueller, Kansas City, Kan. Past president, Kansas Society. Former member, AIA committee on membership.



Walter L. Schaffer (1930), Lybrand, Ross Bros. & Montgomery, New York, N.Y. Member, AIA committee on relations with the bar. Former chairman, AIA committee on accounting for income tax purposes.



Alden C. Smith (1936), Price Waterhouse & Co., New York, N.Y. Chairman, AIA committee on foreign affairs. Past president, New York State Society.



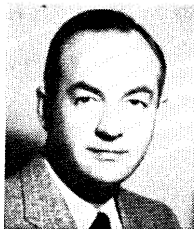
Charles L. Schmidt (1942), Alexander Grant & Company, Cincinnati, Ohio. Past president, secretary, and director, Ohio Society and Cincinnati Chapter.



Percy M. Smith, Jr. (1946), Mitchell, Wiggins & Smith, Richmond, Va. President, Virginia Society. Former member, AIA committee on admission. Past president, Richmond Chapter.



Maynard H. Shaw (1948), Jordan & Jordan, Portland, Me. Past president, Maine Society; past vice president and secretary-treasurer. Former state chairman, AIA committee on membership.



Maurice H. Stans (1932), U. S. Deputy Postmaster General, Washington, D.C. Past president of AIA, 1954-55; vice president, 1949-50. Former chairman, AIA committee on *CPA Handbook* and contributing author.



Ralph L. Stauffer (1933), Stauffer Bunn & Chambers, Philadelphia, Pa. Past president, Pennsylvania Institute. Member, AIA public relations committee. Former chairman, AIA committee on cooperation with bankers.



John T. Steed (1940), Steed, Reed and Steed, Ardmore, Okla. Past president, Oklahoma Society. Member, AIA membership committee.



J. Bryan Stephenson (1930), Linder, Burk and Stephenson, Albuquerque, N.M. Past president, New Mexico Society. Past president, New Mexico State Board of Accountancy. Past member, AIA committees on membership and natural business year.



J. Harold Stewart (1922), Stewart, Watts & Bollong, Boston, Mass. Past president of AIA, 1949-50; past vice president, 1947-48. Member, AIA trial board. Trustee, AIA benevolent fund.



H. Talcott Stith, Jr. (1948), Derrick, Stubbs & Stith, Columbia, S.C. Past president, South Carolina Association. Member, AIA committee on coordination of activities of state and national organizations.



John M. Stoy (1942), Stoy, Malone & Company, Washington, D.C. Past president, D. C. Institute. Member, AIA committee on auditing procedure and trial board.



Joseph T. Sullivan (1949), Irwin-Imig Co., Omaha, Neb. President, Nebraska Society; former vice president and secretary-treasurer.



Fladger F. Tannery (1940), Arthur Young & Company, Dallas, Tex. President, Texas Society. Member, AIA committee on national defense.



Walter F. Theis (1941), Walter F. Theis & Company, Pine Bluff, Ark. Past president, Arkansas Society. Past president, Arkansas state board of accountancy.



Roscoe L. Thomas (1915), Rowland, Thomas & Company, Butte, Mont. Past president, Montana Society. Member, AIA history committee.



Charles H. Towns (1923), Loomis, Suffern & Fernald, New York, N.Y. Past treasurer of AIA, 1947-49. Past president, New York State Society. Chairman, AIA investment committee. Member, AIA committee on awards.



W. P. Trolinger (1939), Ernst & Ernst, Baltimore, Md. Past president, Maryland Association.



Arthur C. Upleger (1922), A. C. Upleger & Company, Waco, Texas. Past president, American Society of CPAs and Texas Society. Member, executive committee of Southern States Accountants Conference.



H. C. Utley (1934), Ernst & Ernst, Minneapolis, Minn. Past president, Minnesota Society.



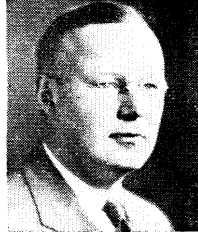
William J. von Minden (1938), von Minden & Bruneau, Ridgewood, N.J. Past president, New Jersey Society. Member, AIA committee on accounting personnel, trial board.



Wayne B. Wagar (1940), Wagar, Lunt & Oehring, Saginaw, Mich. Former director, Michigan Association. Member, AIA committee on accounting personnel. Former member, AIA committees on membership and natural business year.



Robert S. Warner (1936), Lybrand, Ross Bros., & Montgomery, Los Angeles, Calif. Member, AIA editorial advisory board. Former chairman, AIA committee on natural business year.



Edward B. Wilcox (1927), Wilcox, Harbinson & Co., Chicago, Ill. Past president of AIA, 1946-47. Past president, Illinois Society. Chairman, AIA committee on terminology. Member, AIA trial board, committee on accounting procedure.



I. T. Welling, Jr. (1948), Elliott, Davis & Co., Greenville, S.C. President, South Carolina Association; former vice president. Member, AIA auditing procedure committee.



Frank L. Wilcox (1930), Wilcox, Pattillo & Co., Waco, Tex. Past vice president of AIA, 1950-51. Past president, Texas Society. Chairman, AIA committee on professional ethics.



C. Oliver Wellington (1911), Scovell, Wellington & Company, New York, N.Y. Past president of AIA, 1940-41. President, AIA benevolent fund. Member, AIA trial board.



T. Dwight Williams (1926), Williams, Hurst & Groth, Oklahoma City, Okla. Past president of AIA, 1945-46; past vice president. 1940-41. Past president, Oklahoma Society.



John St. C. Werth (1946), Werth, Bailey, McCorkle & Company, Kingsport, Tenn. President, Tennessee Society.



Frederick H. Woodward (1942), individual practitioner, Phoenix, Ariz. Past president, Arizona Society. Former member, AIA committees on state legislation and natural business year.



George D. Woodward (1950), individual practitioner, Portland, Me. President, Maine Society. Member, executive committee of New England Graduate Accounting Study Conference.



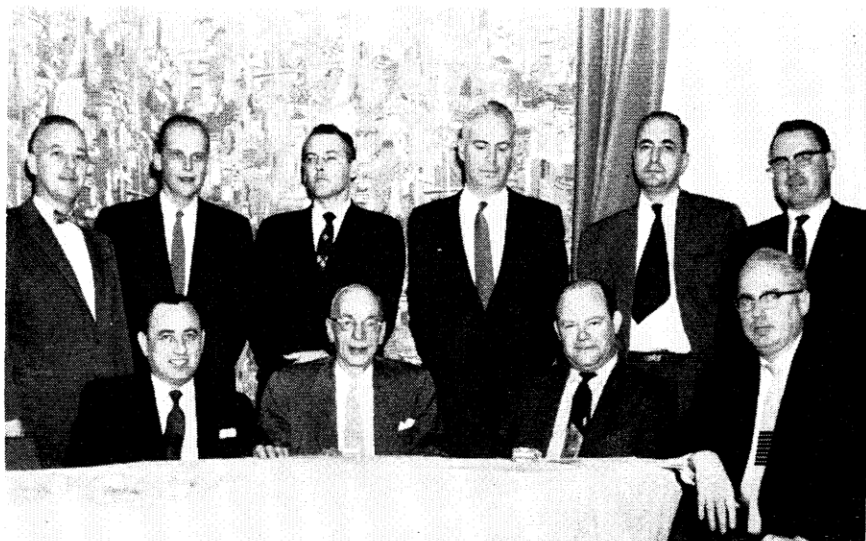
L. C. J. Yeager (1932), Yeager, Ford & Warren. Past president, Kentucky Society. Past president, Kentucky state board of accountancy. Member, AIA committee on state legislation.

Richard W. Draeger (1950), individual practitioner, Sioux Falls, S.D., is not included in the picture section of this supplement since his photograph was not available. He is president, South Dakota Society, and member, AIA advisory committee of local practitioners.

MEMBERS OF COUNCIL (By State)

ALABAMA—J. D. P. Arnold, Chris H. King
ARIZONA—Dixon Fagerberg, Jr., Laird A. Racy, Frederick H. Woodward
ARKANSAS—Walter E. Theis, Cal P. Hollis
CALIFORNIA—James L. Cockburn, Jr., John F. Forbes, Ira N. Frisbee, C. C. Gabrielson, Darrell Hodge, Norman Loyall McLaren, John B. Norberg, L. H. Penney, Robert S. Warner
COLORADO—Ralph R. Bartsch, Otto P. Buttery, Clem W. Collins, Ralph B. Mayo
CONNECTICUT—Everett W. Delaney, Joseph J. Hartnett, J. William Hope
DELAWARE—Frank A. Gunnip, Paul W. Lukens
DISTRICT OF COLUMBIA—Percival F. Brundage, B. W. Cochran, Maurice H. Stans, John M. Stoy
FLORIDA—Charles B. Couchman, Mark W. Eastland, Jr., R. Warner Ring
GEORGIA—Ben W. Brannon, Hugh M. Mercer
IDAHO—M. T. Deaton, S. Del Low
ILLINOIS—William S. Deening, George P. Ellis, David Himmelblau, C. Alvin Koch, Waldo Mauritz, Robert J. Murphey, Edward B. Wilcox
INDIANA—Clarence W. Long, George W. Myers, George S. Olive, Sr.
IOWA—C. Arnold Carlson
KANSAS—W. A. Richel, Samuel W. Sinderson
KENTUCKY—Albert Christen, Samuel W. Eskew, L. C. J. Yeager
LOUISIANA—Clifton A. Morvant, John A. Peyroux, Jr., Louis H. Pilié
MAINE—Maynard H. Shaw, George D. Woodward
MARYLAND—Guy S. Kidwell, W. P. Trolinger
MASSACHUSETTS—Anthony F. Kearney, John J. McIsaac, Donald P. Perry, J. Harold Stewart
MICHIGAN—George D. Bailey, A. John Bloodsworth, Robert W. Reddin, Wayne B. Wagar
MINNESOTA—John P. Fitzgerald, Herman C. J. Peisch, H. C. Utley
MISSISSIPPI—L. C. Gooch, Jr., Fred T. Neely
MISSOURI—John J. Lang, Carl Lipoff, Harry E. Lunsford, J. M. Neumayer
MONTANA—S. Clark Pyfer, Roscoe L. Thomas
NEBRASKA—Philip G. Johnson, Joseph T. Sullivan
NEVADA—R. York Funston
NEW HAMPSHIRE—John E. Rich

NEW JERSEY—Benjamin H. Garb, A. M. Hart, Abraham H. Puder, William J. von Minden
NEW MEXICO—Samuel J. Arnold, J. Bryan Stephenson
NEW YORK—William M. Black, Samuel J. Broad, Harold R. Caffyn, Samuel J. Duboff, Arthur B. Foye, William D. Gasser, Thomas G. Higgins, Gordon M. Hill, Charles A. Hoyler, John B. Inglis, Alvin R. Jennings, Maurice E. Peloubet, Mark E. Richardson, Walter L. Schaffer, J. S. Seidman, Alden C. Smith, Charles H. Towns
NORTH CAROLINA—Theodore N. Grice, Kay J. Jennell
NORTH DAKOTA—Palmer C. Bakken
OHIO—R. D. Ashman, Fred C. Dennis, Robert L. Floyd, John A. Lindquist, Charles L. Schmidt
OKLAHOMA—Donald W. Brown, John T. Steed, T. Dwight Williams
OREGON—James M. Gilman, Jr., William P. Hutchison
PENNSYLVANIA—Michael D. Bachrach, Robert Caldwell, I. H. Krekstein, J. Woodrow Mathews, Ralph L. Stauffer, John H. Zebly, Jr.
RHODE ISLAND—John H. Hanover, Edmund L. O'Brien
SOUTH CAROLINA—H. Talcott Stith, I. T. Welling, Jr.
SOUTH DAKOTA—Richard W. Draeger
TENNESSEE—John S. Glenn, Jr., Harry M. Jay, Fred G. Page, John St. C. Werth
TEXAS—Curtis H. Cadenhead, Marquis G. Eaton, Homer L. Luther, J. A. Phillips, Fladger F. Tannery, Arthur C. Upleger, Frank L. Wilcox
UTAH—Harold L. Child, S. E. Newman
VERMONT—Newell A. Briggs
VIRGINIA—T. Coleman Andrews, J. Sydner Mitchell
WASHINGTON—E. C. Daniels, Russel A. Pearson
WEST VIRGINIA—Jordan C. Pappas, W. H. Richardson, Jr., Percy M. Smith, Jr., Robert E. Witschey
WISCONSIN—Donald E. Gill, Earl W. Hammill
WYOMING—M. Clare Mundell
ALASKA—Paul R. Hagelbarger
HAWAII—Herbert C. Dunn, Stanley Rosch
PUERTO RICO—Raphael Garcia-Moreno



Planning committee of the Central States Accounting Conference: front row (l to r): Carl Lipoff, Kansas City, Mo.; Ray G. McKennan, Minneapolis; J. T. Koelling, Wichita; John P. Fitzgerald, Minneapolis; second row: J. R. MacNaughton, and C. Arnold Carlson, Des Moines; Joseph T. Sullivan, Omaha; Walter C. Witthoff, Fremont, Neb.; AIA's State Society Services Director Melvin R. Freeman; and Adrian Richel, Topeka, Kan. See story on page 8.

operation will be explored at the meeting in the light of the recent interpretation by the Treasury Department of Circular 230 governing tax practice.

An editorial comment on the Treasury's interpretation from *The Journal of Accountancy*, plus an opinion from the AIA's legal counsel, has already been distributed to the full membership. The material also appears in the April issue of *The Journal*.

In addition, the AIA's governing body is expected to discuss the profession's position in regard to state

accountancy legislation; hear mid-year reports from most of the Institute's committees; and adopt a revised budget for the remainder of the current fiscal year.

Note: Pictures and biographies of Council members appear in a special supplement accompanying this issue of *THE CPA*.

Washington Meetings

Twenty-seven committees of the Institute were slated to meet at the Mayflower Hotel in Washington, D.C., on March 14-17.



Gov. A. B. Chandler congratulates Miss Mary Louise Foust, AIA member of Shelbyville, immediately after she was sworn into office as Kentucky's Auditor of Public Accounts. Miss Foust is the first CPA and first woman ever elected to the post.

The assembly of AIA committees has become a regular annual event since the first such get-together was held in 1953 preceding a banquet in honor of T. Coleman Andrews, former president of the Institute and then Commissioner of Internal Revenue.

In addition to the 200 committees, more than 150 members of Congress and top government officials were expected to attend a banquet on March 16. The dinner was to honor three CPAs who presently occupy high positions in the government: Joseph E. Campbell, Comp-

troller General of the U.S.; Russell C. Harrington, Commissioner of Internal Revenue; and Maurice H. Stans, Deputy Postmaster General of the U.S. All are members of the Institute, and Mr. Stans is a former president (1954-55) of the AIA.

Regional Conferences

Four regional accounting conferences are scheduled for June.

The Central States Conference will meet on June 10-12 at the Hotel Savery in Des Moines, Ia. Among the speakers: AIA Vice President Robert E. Witschey, Executive Director John L. Carey, and Public Relations Director Charles E. Noyes.

The Saxony Hotel in Miami Beach, Fla., will be the scene of the Southern States Accountants Conference on June 10-13. President John H. Zebley, Jr., heads the list of speakers. Others on the program include Roger Wellington, chairman of the AIA's management services committee; Carman G. Blough, research director; and Charles P. Rockwood, assistant director of public relations.

Mr. Zebley will also appear at the Mountain States Conference at the Hotel LaFonda, Santa Fe, N. Mex., on June 14-16. Other speakers: Vice Presidents Dixon Fagerberg, Jr., and Robert E. Witschey; John W. Queenan, chairman of the committee on relations with the bar; Mr. Carey; and Mr. Blough.

On June 21-23, the thirty-third annual Pacific Northwest Conference will meet in the Hotel Chenook, Yakima, Wash.

Spring Field Trips

Officers and staff members of the Institute will visit 14 states on a series of field trips during the next few months.

The trips, first inaugurated five years ago, are designed to keep the membership informed of AIA activities and to alert the AIA to the needs of the membership.

The states to be visited include: North Carolina, Missouri, Kansas,

Georgia, Wisconsin, Minnesota, Oklahoma, Arkansas, Tennessee, Mississippi, New Hampshire, Vermont, Washington and Oregon.

The men who will make the trips are: Vice President Dixon Fagerberg, Jr.; Perry Mason and Richard C. Lytle of the research department; H. T. Winton and David Lanman of the administrative department; Melvin R. Freeman, director of state society service; Charles Rockwood, assistant director of public relations; and John Lawler and Jerrold Hickey of the publications department.

J. S. Seidman, vice president, has already completed a series of visits in Florida.

firm announcements

CALIFORNIA—Los Angeles: Leonard M. Lizzi and Roscoe O. McKeehan have formed McKeehan & Lizzi, 3000 W. 8th St. **Oakland:** Following the retirement of Russell Howland, the firm name of Timpson & Howland has been changed to Timpson & Boyle. **San Francisco:** Lester Herrick and Herrick and Arthur Young & Company have merged practices under the name Arthur Young & Company. . . . A. Richard Tonnemacher has been admitted as partner to Jorgenson, Bittner & Clark.

FLORIDA — Miami: Donald K. Williams has opened an office at 2691 N. W. 7th St. **Orlando:** Howard E. Kurtz and William R. Martin have formed Kurtz and Martin, 111 E. Robinson Ave.

ILLINOIS—Chicago: Alexander Grant

& Company and Ralph R. Trimarco & Co. have merged practices under the firm name of Alexander Grant & Company.

MASSACHUSETTS—Cambridge: Omar K. Edes has opened an office at 12 Norfolk St.

MICHIGAN—Detroit: John I. Naslund and John A. Dowell have formed Naslund and Dowell, 2101 Cadillac Tower.

NORTH CAROLINA—Asheville: John H. Lee has opened an office at 11½ Flint St.

NEW HAMPSHIRE — Manchester: Leonard F. Clements has opened an office at 814 Elm St.

NEW JERSEY—Little Falls: William L. Stenger, Jr., has opened an office at 425 Browertown Rd. **Newark:** Ellis M. Hoch has opened an office at 263 Jeffer-

son St. Plainfield: Dorvin M. Rosenberg has opened an office at 240 W. Front St. **NEW YORK — New York:** Following the retirement of Julius Schlesinger, the firm name of Schlesinger, Mayers, Architect & Brown has been changed to Mayers, Architect & Brown.

OHIO — Cleveland: Charles E. Uebel and John B. Mercer and Arthur Young & Company have merged practices under the name of Arthur Young & Company.

PENNSYLVANIA — Sharon: Elliot-Finucane & Company and Paul L. Quinby have merged practices under the firm

name of Elliot, Finucane & Quinby.

TEXAS—Dallas: The practice of Jamie F. McFarland has been merged with that of Brophy, Mimier & Co. under the name of the latter. . . . With the admission of partners, the firm of Dranguet, Foote & Company is composed of Joseph Dranguet, Guy Myrph Foote, Truxton L. Shaw, Ford R. Hale, Jr., Raymond L. Gibbs, Brian H. Dooley, and Thomas L. Anderson. **Fort Worth:** McCammon, Morris, Pickens & Mayhew have merged practices with R. A. Moore & Co. under the name of the former.

obituaries

Brooks Geoghegan, of Macon, Ga., past president of the Southern States Accountants Conference, died February 11.



Mr. Geoghegan

Examiners for several years.

During his membership in the Institute, which dates from 1931, Mr. Geoghegan served on its committees on federal taxation, membership, and state legislation. In 1943-44 he was a member of Council.

Born in Louisville, Ky., Mr. Geoghegan moved to Macon in 1921. He was senior partner in the firm of Geoghegan, Norris and Hansford.

Charles J. Burney (1937), 76, own account, Kansas City, Mo., January 27.

Herbert Himes (1922), director and consultant, Compania Minera de Penoles, Monterrey, Nuevo Leon, Mexico,

January 23.

Benjamin Jacobs (1917), 83, own account, Philadelphia, Pa., September 22.

William Isaac Nicholson (1928), 65, partner, Nicholson, Reyburn & Co., January 18. Past chairman and secretary, Oklahoma Board of Accountancy.

J. B. Scholefield (1922), 75, founder, Scholefield & Co., Los Angeles, February 5. Former member of the California State Board of Accountancy and past president of the Los Angeles Chapter.

Maurice Sirota (1948), 55, Simonoff, Peyser & Citrin, New York, N.Y., January 25.

S. E. Van Derys (1928), own account, San Juan, P.R., last October.

W. Walter Thorp (1950), 58, own account, Lexington, Ky., January 7.

Robert Willson (1944), 39, resident manager, Haskins & Sells, Denver, Colo., December 11.

Ernest Willvonseder (1924), 73, partner, Bergen & Willvonseder, New York, N.Y., January 31.

Russell B. Woolley (1941), 60, Lybrand, Ross Bros. & Montgomery, St. Louis, Mo., December 13.

Applicants Recommended for Membership

The committee on admissions recommends admission of 165 applicants. They do not become members until voted upon by the Council and declared elected by the president. If protest is to be made against any applicant, it should reach the Institute on or before April 15, 1956.

ALABAMA — **Birmingham**: William Wesley Tubbs.

ARIZONA — **Benson**: Amos Jessee Browning. **Phoenix**: Kay Allan Driggs.

Tucson: J. William Haney.

ARKANSAS—**Little Rock**: Robert L. Bowman.

CALIFORNIA—**Chula Vista**: Constantine Pappagianis. **La Jolla**: Robert Edwin Kronemyer. **Long Beach**: Travis E. White. **Los Angeles**: Robert D. Belsey, Arnold Wilson Bramlett, Philip E. Flickinger, Clyde W. Johnson, John William Johnson, Ralph A. McClure, Steve Tsuneyuki Okuma, Donald Brainard Philp, George C. Pulliam, Jr., Carl John Rausch, Sydney William Shiffman, Josh Wooldridge, Jr. **Oakland**: Harold Johanson. **Sacramento**: Douglas S. Olin. **San Diego**: Theodore Anselmo, James B. Kuhn, Frank T. Whiffen. **San Francisco**: Theodore Ellington, John Edward Gruning.

COLORADO—**Denver**: Harry I. Baker, Jr., Clayton L. Kyle, Joseph R. Loret, Jr., Lowell S. Porter.

DISTRICT OF COLUMBIA: John J. Feeney, Norman Olson, Myles P. O'Reilly.

FLORIDA—**Miami**: Esten A. Ulmer.

Miami Beach: Marvin Eugene Stenberg. **St. Petersburg**: E. Stan Salzer. **Tallahassee**: Wilbur S. Freeman.

GEORGIA—**Atlanta**: George Anderson Davis, David S. Flowers, Levon Calvin Register. **Decatur**: Houston D. Smith.

ILLINOIS—**Chicago**: John M. Cantalupo, Noble V. Graham, William M. Ikert, Robert Fudge Jackson, Ben Rozan-

sky, James E. Way. **Kankakee**: Thomas M. Hemstreet. **Springfield**: H. Orville Kiest. **Waukegan**: Victor E. Johnson.

INDIANA—**Indianapolis**: Mark E. Bowen, Robert E. Collins. **Mishawaka**: Frances J. Tyler. **Peru**: Robert L. Thompson.

IOWA—**Des Moines**: Jesse J. Peterson, Glen R. Ryun.

KANSAS—**Osborne**: William C. Fossett. **Wichita**: Jack G. Harwick.

KENTUCKY — **Louisville**: Frank G. Overton, David T. Peters.

LOUISIANA — **New Orleans**: William Jennings Schroeder, Jr. **Shreveport**: Robert William Krauel.

MARYLAND — **Baltimore**: Alexander Shapiro, Robert L. Strider. **Cambridge**: Vernon E. Robbins. **Salisbury**: Arthur Allen Gelnett.

MASSACHUSETTS — **Boston**: Robert William Cherry, James J. Cooney, Jr., John R. Davis, Richard M. Dorr, Roland L. Driscoll, William L. Norton, Abraham Wiesenfeld. **Fitchburg**: Harold J. Muir.

MICHIGAN—**Detroit**: William E. Cunningham, Francis E. Pero.

MISSISSIPPI — **Jackson**: Robert B. Foard.

MINNESOTA— **St. Paul**: Warren L. Johnson. **Stillwater**: Edward M. Eichten.

MISSOURI—**Kansas City**: Roy N. Hollaway. **St. Louis**: Arthur L. McWilliams. **NEBRASKA**—**Omaha**: Charles H. Elliot, Walter R. Jahn.

NEVADA — **Reno**: George Malcolm Farrell.

NEW JERSEY—**Bradley Beach**: Rich-

ard M. Crammer. **Clifton:** Sy Feldman. **Elizabeth:** Joseph Straub Alexander, Henry W. Strong. **Fair Lawn:** Peter L. Mazzarella. **Hoboken:** Seymour Winton Korn. **Jersey City:** John A. Di Stauro. **Linden:** Paul Schwartz, Arthur Zemel. **Paterson:** Louis A. Simon.

NEW YORK—Bethpage: Edward C. Reedy. **New York:** Abraham Barlas, Alfred R. Barsotti, Fred M. Bauman, Harold H. Bloom, Donald John Carney, Harold D. Casin, Edward J. Conway, Francis T. Delahantz, Alexander M. Freedman, Edwin D. Frost, Jr., Matthew P. Geraghty, Albert J. Hasson, Frederick Nelson Jones, Louis Kaplan, Irwin Karp, Alfred H. Klein, Adam Kurman, Harold C. Lohrand, Benjamin L. Miller, George M. Morgenstern, Dudley W. Nearing, Jr., Norman Parker, Warren F. Pomerenk, Carl M. Russo, Harold Sklover, Bernard D. Sommers, Irving Stein, Irving Weintraub, Donald H. Yost. **Rochester:** Margaret M. Byrne, James H. Gould. **Syracuse:** Robert J. Dermody, James P. Scott.

NORTH CAROLINA—Asheboro: Malcolm Judson Watson. **Charlotte:** Robert Calvin Donnan. **Greensboro:** Joseph M. Cancemi.

OHIO—Painesville: F. Gilbert Link. **Warren:** Lynn B. Griffith, Jr.

OKLAHOMA—Oklahoma City: Clarence W. Paine. **Tulsa:** Robert F. Cavins. **OREGON — Portland:** Werner Conn, Lester L. Fordham, Edward A. Maier.

PENNSYLVANIA—Philadelphia: Ralph J. Bieber, William D. Edwards, Donald Charles Engel, Albert V. Grifone, Thomas G. Leonard, John F. Roesgen. **Pittsburgh:** George Jay Comstock, Robert Francis Gall, William J. Maus, Jr., Paul A. Nestor, Harvey Potts.

TENNESSEE — Memphis: David G. Kinser, Robert C. Koch, Ralph W. Tipton.

TEXAS — Fort Worth: Ruth Estill Boone. **Houston:** Clifford T. Newbill. **Pasadena:** Charles Edwin McCormick.

VIRGINIA — Norfolk: Joseph Vincent Anderson.

WASHINGTON — Seattle: Donald R. Anderson, Victor Barkey, C. Russell Coffman, George H. Rowe.

WEST VIRGINIA—Huntington: Ben A. Bagby.

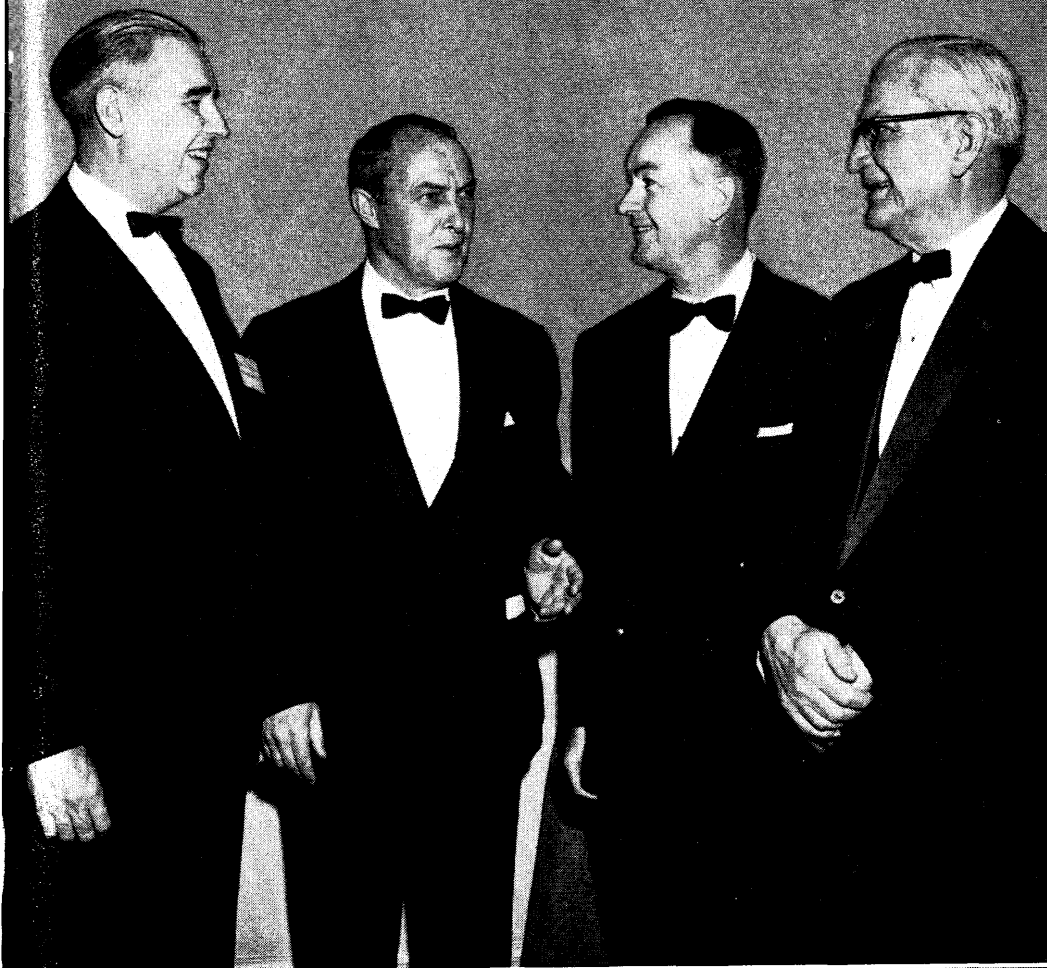
WISCONSIN — Eau Claire: Brule G. Carleson. **Manitowoc:** William Arthur Geske. **Milwaukee:** Donald J. Massa.

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MAY 1956



The CPA

MEMBERSHIP BULLETIN OF THE
AMERICAN INSTITUTE OF ACCOUNTANTS

**AIA Honors Three CPAs
in Top Government Posts
at Its "Committee Days"**

The CPA

Published monthly for
the membership of the
AMERICAN INSTITUTE OF ACCOUNTANTS
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New York 16, N. Y.

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MAY 1956
on the cover

AIA President John H. Zebley, Jr. (extreme l.), greets (l. to r.): Joseph E. Campbell, U.S. Comptroller General; Maurice H. Stans, Deputy Postmaster

General; and Russell C. Harrington, Commissioner of Internal Revenue. The three CPAs were honored at a dinner during recent AIA committee meetings.

... from the

The practice of accounting is changing rapidly, like everything else in this rapidly changing world.

We don't know as much about the changes as we should. Little research has been done so far in the "economics" of accounting practice itself. It is hoped that the Institute's new committee on professional statistics will soon begin to dig up facts which will show trends that point to the future.

Even fragmentary research produces fascinating results. Herman Bevis, in the Fiftieth Anniversary issue of *The Journal of Accountancy* (November 1955) presented food for thought in an analysis of listings of accounting firms in telephone directories of twelve cities.

In four years, for example,



executive director's desk

the number of five-partner firms of CPAs increased 77 per cent, three-partner firms 74 per cent, two-partner firms 59 per cent, and individual practitioners 29 per cent. Multiple-office firms accounted for only 6.2 per cent of the total in the later year.

If it can be assumed that the ratio of staff to partners is likely to increase as the number of partners increases, then the total number of accountants in "group" practices must be expanding much more rapidly than the number in one-man practices.

This suggests several things: (1) a steadily increasing demand for a wider variety of services by CPAs; (2) a consequent pressure toward specialization (what kind?); (3) greater efficiency and economy in group practice (certainly this should be true in auditing); (4) a possibility that local practitioners are expanding even more rapidly than national firms.

Admittedly these are speculations. We need more facts, and those which Mr. Bevis supplies merely whet our appetites. Wouldn't it be a good idea for CPAs in each community to make studies of their own development over, say, the past ten years, and then pool the results through the Institute's committee?

After all, what is more helpful in attempting to appraise future opportunities than a knowledge of what has happened, and is happening now?

A handwritten signature in cursive script, reading "John Carey". The signature is written in black ink and is positioned at the bottom right of the page.

Trial Board Orders Suspension Or Expulsion in Five Cases

The Trial Board recently decided five cases involving charges against Institute members.

The following is the official statement of the Trial Board as reported by the Trial Board secretary:

1. One member was convicted by a federal court of wilfully and knowingly attempting to defeat and evade large portions of his federal income tax for 1946 and 1947.

In the fall of 1955, the member's right to practice before the Treasury was suspended for a period which began retroactively and had expired when the decision was made. Meanwhile, his CPA certificate had been restored by the State Board.

Because of his conviction by a federal court, the Trial Board found him guilty of an act discreditable to the profession.

He was suspended from membership in the Institute for one year from March 15, 1956.

In the light of extenuating circumstances brought out in the testimony of the member involved, the Trial Board decided not to publish his name.

2. Another member, Mr. Jack D. Huggins of East St. Louis, Illinois, was charged with violating Rule 7

of the Institute's rules of professional conduct, in that he had solicited clients by circulars or advertisements sent to Illinois municipalities in 1952, 1953, 1954, and 1955.

After being warned by the committee on professional ethics, Mr. Huggins agreed to discontinue sending his circulars to municipalities. However, he later resumed this unethical practice.

The Trial Board found him guilty and decided that he be expelled from the Institute. It also decided to disclose his name.

3. Another member was convicted by a federal court of conspiracy to defraud the United States by impeding, impairing, obstructing, and defeating the lawful functions of the Department of the Treasury in the collection of income taxes. The Trial Board found that this was a conviction of a crime involving moral turpitude and decided that the member be expelled from the Institute.

It appeared that the member had appealed his conviction. The Trial Board therefore decided not to publish his name.

4. In a fourth case, the State Board of Accountancy had suspended the member's certificate for eight-

een months, expiring February 23, 1957, because it found that the member failed to disclose in an audit report a shortage of securities of which, by the exercise of reasonable care, he should have known, and because he had certified in his audit report that the investments of the organization, covered by the report, had been verified by actual examination and count, knowing this statement to be incorrect.

The Trial Board decided that his membership in the Institute be suspended for one year from March 15, 1956, or to such earlier date as his certificate as a CPA shall be reinstated.

It also decided not to disclose his name.

5. Vernon O. Aanenson, of Minneapolis, Minnesota, was convicted of having wilfully and knowingly attempted to evade and defeat a large part of the income taxes due and owing to the United States for the calendar year 1947 by a corporation of which he was controller, by filing a false and fraudulent amended corporation income tax return.

The Trial Board found that the crime of which Mr. Aanenson was convicted involved moral turpitude and decided that he be expelled from the Institute.

It also found him guilty of an act discreditable to the profession by reason of the conviction and decided to publish his name.

Committee Days

More than 400 Institute members and guests paid tribute to three CPAs in top-level government posts at a banquet in Washington's Mayflower Hotel on March 16.

Those honored were: Joseph Campbell, Comptroller General of the United States; Russell C. Harrington, Commissioner of Internal Revenue; and Maurice H. Stans, U.S. Deputy Postmaster General.

The 100 guests included members of Congress and high-ranking officials of nearly every executive department.

The testimonial dinner was held in conjunction with the AIA "committee days." Twenty-seven of the Institute's committees convened on March 14-17.

For pictures of the meeting, see pages 8-9.

AIA Insurance Dividend

The largest dividend in the history of the AIA insurance trust—\$761,503.72—has been handed over to The Hanover Bank, New York, trustee of the plan. The major portion of the dividend will be distributed to participating firms.

Since the plan was put into effect in 1947, more than two million dollars in dividends have been paid into the trust. Last year's dividend was \$483,452.61, and the dividend in 1953 was \$330,102.76.

At the present time over \$150

round-up of the news

million of life insurance and an equal amount of accidental death and dismemberment insurance are in effect.

Council Meets in Florida

A full-scale review of the Institute's policy on state accountancy legislation is being undertaken by the Council at its spring meeting.

The 161-man governing body of the AIA is holding five half-day sessions at the Belleview Biltmore Hotel in Belleair, Fla., April 16-19.

The 1500 student-members of Beta Alpha Psi are being sent complimentary copies of this issue of THE CPA. This is the second such mailing in recent months—in November 1955 the Institute sent them copies of the fiftieth anniversary issue of THE JOURNAL OF ACCOUNTANCY.

Beta Alpha Psi, the national honorary accounting fraternity, maintains chapters in schools which are full members of the American Association of Collegiate Schools of Business. Membership in the 37-year-old fraternity is limited to students of high scholarship and accounting aptitude.

The Institute has maintained a neutral position on the issue of regulatory *versus* permissive legislation since 1948.

The Council will also:

- Re-examine the tax practice situation in the light of the Treasury Department's statement clarifying its Circular 230.
- Consider an executive committee recommendation to change the by-laws to permit the election of any AIA member—regardless of whether or not he is in public practice—to the Council or any committee.
- Hear mid-year reports from more than 35 committees—and an announcement by the nominating committee of its 1956-57 nominees for officers.

During the Council meeting, state society presidents will meet and discuss practical professional ethics and public relations.

A full report on the Council meeting will appear in the next issue of *The CPA*.

AIA Annual Meeting

AIA members from the east and south planning to attend the Institute's annual meeting in Seattle this fall may travel there on a special train from Chicago. A special return train has also been scheduled.

Various sightseeing trips enroute have been planned, including trips to Grand Coulee Dam, Mt. Hood, and Sun Valley.



Percival F. Brundage is sworn in as Director of the Bureau of the Budget. Above (l. to r.): Mr. Brundage, his wife, President Eisenhower, former Budget Director Rowland R. Hughes, and Associate Supreme Court Justice Harold H. Burton. The ceremony took place at the White House on Mr. Brundage's 64th birthday, April 2. Named to succeed him as Deputy Budget Director is Arnold R. Jones, CPA and dean of financial administration at Kansas State College.

Arrangements are also being made for a post-meeting trip to Hawaii for members who may wish to vacation there.

The Institute's meeting, its 69th, will be held from September 22-27 in Seattle's Olympic Hotel.

A program for members' wives has been planned and includes a reception and fashion show.

AIA and Surety Association

The need for further cooperation between CPAs and surety companies was stressed at a recent dinner meeting at which representatives of the Surety Association of America were

the guests of the American Institute.

The surety company officials told of how heavily they relied on the CPA's opinion on financial statements—particularly when judging the risk of underwriting completion of construction contracts.

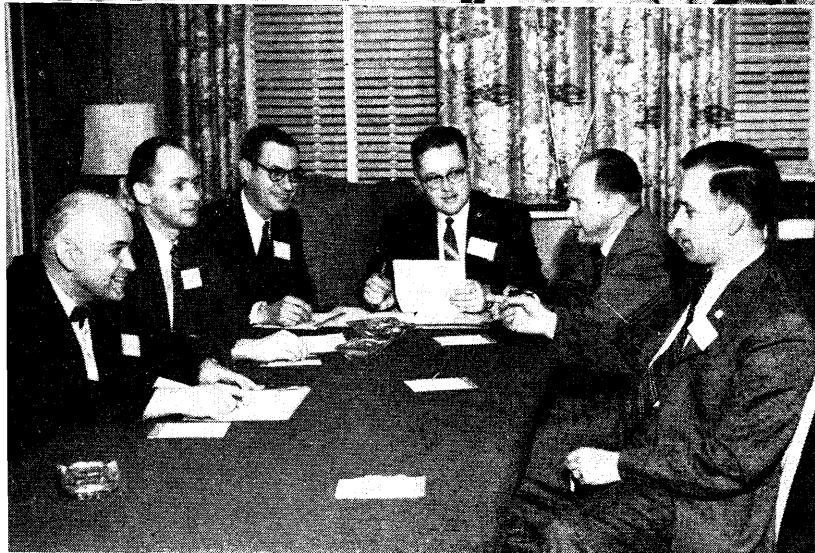
Other matters discussed at the meeting: Accounting Research Bulletin 45 which deals with accounting for long-term construction-type contracts; significance of the short-form opinion; auditing standards.

The meeting was attended by members of the Surety Association's executive committee, including committee chairman E. Kemp Cathcart,

(Continued on p. 10)



At left, AIA banquet on March 16 honoring Messrs. Campbell, Harrington, and Stans. Below the committee on state legislation (seated, l. to r.): L. C. J. Yeager; Wayne E. Pollard; Bouldin S. Mothershead, acting chairman in the absence of Thornton G. Douglas; Irvin R. Squires; Harry M. Turnburke; (standing) John M. Waters; George W. Pierce; J. H. L. Trautfelter; Harlan H. Holben.



AIA Committees Meet

Washington, D.C. March 14-17



Above, newly-formed advisory committee on staff accountants (l. to r.): John C. R. Hofferbert, Robert M. Maynard, Francis J. Speyer, chairman Robert L. Starks, W. Stanley Davis, and AIA's David Lanman. Right, AIA executive committee (seated): John B. Inglis, Arthur B. Foye, Maurice H. Stans (present as immediate past president), John H. Zebley, Jr., Executive Director John L. Carey, William S. Deeming, Marquis G. Eaton, J. S. Seidman; (standing) Robert E. Witschey, John A. Lindquist, Louis H. Pilie, Alvin R. Jennings, William M. Black, Dixon Fagerberg, Jr., L. H. Penny.



round-up of the news

and by Warren N. Gaffney, Surety Association general manager.

Among those representing the AIA: John H. Zebley, Jr., and J. S. Seidman, Institute president and vice president, respectively; John L. Carrey, executive director; and Carman G. Blough, director of research.

Distribution of an earlier product of cooperation between the Institute and the Surety Association—a pamphlet entitled, *Safeguards Against Employee Dishonesty in Business*, published in 1954—recently passed the 95,000 mark.

Major Firms Use Tax Article

This year more than 400 companies have picked up the Institute's income-tax hint article for use in their employee publications.

Thus, for the third successive year this annual feature of the Institute's tax information program has reached an audience of two million.

Among the companies using the article: General Electric, Western Union, NBC, Dupont, Esso Standard Oil, General Motors, the Federal Reserve Bank of New York.

This is the sixth year that the Institute has issued such an article, especially designed for house organs. This year's article presents tax information in dialogue between a young husband and wife.

Publications using the article give credit to the "American Institute of Accountants, the national profes-

sional society of certified public accountants."

The employee publication article is one of nine major projects in the Institute's tax information program, most of which are distributed through the state societies.

At the present time the Institute is gathering results from state societies about materials supplied them for distribution.

Tribute to Frese

Walter F. Frese, CPA and AIA member, will be honored at a banquet in Washington's Mayflower Hotel on May 5.

Mr. Frese is director of the accounting systems division of the General Accounting Office and a veteran career executive in the federal government. He is taking a year's absence from the GAO to be visiting professor at Harvard University.

More than 500 people are expected to attend the dinner.

Tickets (\$6) can be obtained from Winson Jones, Alexander Grant & Company, 1025 Connecticut Ave., Washington 6, D. C.

Accounting Congress

Amsterdam will be the scene of the seventh International Congress of Accountants in the fall of 1957.

The meeting will be co-sponsored by the Netherlands Institute of Ac-

countants and the Association of University Trained Accountants.

New Graduate School

A graduate school of public accounting, designed for liberal arts graduates seeking a CPA certificate, will open this summer at Rutgers University. (*See picture below.*)

Students wishing to enroll must have a bachelor's degree with a minimum of 90 credit hours in the humanities, sciences and social sciences. They must also have basic course work in the business fields; but arts graduates with deficiencies can remove them at a sum-

mer session. The regular course work—including an eight-week internship—can be completed in one year.

Further information can be obtained from the Director of Admissions, School of Business Administration, Rutgers University, 40 Rector St., Newark 2, N.J.

Business Show

The first major "business show" on Long Island was recently arranged by the Nassau-Suffolk chapter of the New York State Society of CPAs.

Most of the leading manufacturers of office equipment were repre-



The Rutgers University Graduate School of Public Accounting is discussed by (l. to r.): George R. Esterly, dean of the Rutgers School of Business Administration; Sumner Emerson, chairman of the advisory committee of trustees; William J. von Minden, Rutgers professor of accounting; AIA's John L. Carey.

round-up of the news

Statement on Auditing Procedure No. 26 (Reporting on Use of "Other Procedures") is being sent with this issue of THE CPA.

Members received a copy of the statement earlier; but due to a printer's error, it was incorrectly printed on buff instead of white paper. A correct copy is therefore being distributed.

sented in the exhibits. The three-day program also included lectures by CPAs in industry and public practice on the use and application of the machines.

Career Film Showings

The AIA's accounting career film was shown in over 1,000 high schools during the three month period between November-January.

The film has had more than 10,000 showings since its release in 1953—9,000 before students groups, 1,000 before civic clubs, CPA societies and other organizations. Television showings numbered 400.

The top ten states in use of the movie during the November-January period were: Pennsylvania (95), Ohio (93), New York (92), Texas (66), California (66), Minnesota (53), Wisconsin (44), New Jersey

(44), Illinois (42), Indiana (39).

Continuing demands for the AIA's career booklets—*The Profession of Accounting*, *Professional Help Wanted*, and *Accounting May Be the Right Field for You*—have required new printings of all three publications.

CPA Exam Dates

Dates for the spring Uniform Certified Public Accountant Examination have been announced by the Institute's education department. They are:

May 9, 1:30-6 P.M.—Accounting Practice, Part I

May 10, 9 A.M.-12:30 P.M.—Auditing

May 10, 1:30-6 P.M.—Accounting Practice, Part II

May 11, 9 A.M.-12:30 P.M.—Commercial Law

May 11, 1:30-5 P.M.—Theory of Accounts

New Education Project

A continuing education course in the auditing of accounts receivable is being prepared by the AIA's education department.

This will be the first of the courses intended for beginning, or relatively inexperienced, junior accountants. Material for it is expected to be completed by mid-summer, and the course will be subjected to a tryout in the fall.

Another course—on accountants' legal responsibilities—is slated to be tested in the classroom this spring.

Two other courses are available: the first on tax practice administration, and the second on report writing. Both of these have been used in a number of states since their release last year.

California Auditor

California has named its first State Auditor General.

The Joint Legislative Audit Committee, after a nation-wide search, appointed William H. Merrifield, CPA and AIA member, of Chicago, Ill. He is a former manager with Peat, Marwick, Mitchell & Co.

The new post was created after an extensive review by a public accounting firm of the state's financial reporting practices. Mr. Merrifield will review the accounting and auditing procedures of state agencies and report to the legislature.

J. S. Seidman Honored

J. S. Seidman, AIA vice president and chairman of the federal taxation committee, was recently named "Honored Fellow in Accounting" by Long Island University in New York City.

CPA Exam Grades

Candidates did slightly better in all subjects except commercial law

in last fall's CPA examination over the November 1954 exam.

The percentage passing averaged a little below May 1955, however, as a result of some decrease in the percentage passing the auditing section. The highest percentage on all recent examinations has been in commercial law; the percentage in theory and practice has remained fairly constant.

The Institute's grading staff processed 33,278 papers for the November exam—the largest number in any recent examination.

The Board of Examiners still urgently needs questions in accounting practice and auditing for its stockpile of examination material.

OSU Accounting Conference

The presidents of five national accounting organizations will appear on the program of Ohio State University's Annual Institute on Accounting in Columbus, O., May 17-18.

The officers are John H. Zebly, Jr., of the AIA; Charles R. Israel of the National Association of Cost Accountants; John Arch White of the American Accounting Association; Robert N. Wallis of the Controllers Institute; and Karney A. Brasfield of the Federal Government Accountants Association.

A new nominee for OSU's Accounting Hall of Fame will be presented by Maurice E. Peloubet, chairman of the nominations board.

firm announcements

CALIFORNIA—Beverly Hills: Arthur T. Falk announces the opening of his offices at 218 North Canon Drive.

Concord: Robert M. Larzelere is opening his office at 1877 Mt. Diablo St.

Los Angeles: Burton Arrington and Richard A. Vilmure have become members of the firm Graves and Cobun of Los Angeles and Whittier.

Orangevale: Theodore T. Ray has entered into partnership with William J. Basler under the name of Basler & Ray, 8878 Greenback Lane.

San Francisco: Lester Herrick and Herrick has merged with Arthur Young & Co., and the practice of both will continue under the name Arthur Young & Co. . . . George M. Scheibner has opened offices at Suite 520, Pacific Bldg., 821 Market St.

COLORADO—Denver: Earl E. Mackey was admitted to partnership in the firm of Zarini, Bartsch & Martin.

ILLINOIS—Chicago: Ralph R. Trimarco & Co. has merged with Alexander Grant & Company. Mr. Trimarco became a resident partner in the Chicago office.

MICHIGAN—Detroit: Richard H. Simonian has entered into a partnership with George J. Bahadurian under the firm name of Bahadurian & Simonian, 16801 Wyoming Ave. **Roseville:** John E. Yates and Jeanette Sanderson announce their association as partners under the firm name of Yates and Sanderson, 27777 Gratiot Ave.

MINNESOTA—Austin: The offices of Orrin D. Bowlby have been moved to 210 First National Bank Bldg., where he is continuing the practice formerly carried on by the firm of Bowlby, Enbusk & Co.

MISSISSIPPI — Meridian: Donovan Ready, Jr. has been admitted to partnership with Donovan Ready & Co.

NEW YORK—New York: The offices of Frank Abrams, Meresman & Co. have been moved to 545 Madison Ave. and

the firm name has been changed to Abrams, Meresman & Co.

NORTH CAROLINA—Graham: Jack Y. Henderson has been admitted to partnership in the firm now known as Owen, Hogan, McMillan and Henderson of Burlington, and the firm has opened an office in Graham.

OHIO—Marietta: C. Kenneth Smith and Harry Robinson have formed Smith, Robinson & Company, First Natl. Bldg.

PENNSYLVANIA—Williamsport: Gail G. Webster has opened an office at Williamsport National Bank Bldg.

TENNESSEE — Chattanooga: Donald R. Gaither has opened an office at 431 Chattanooga Bank Building.

TEXAS—Dallas: Arthur L. Brown, Jr., is no longer associated with W. B. Goode & Company but practicing as an individual at 363 Rio Grande National Bldg.

. . . Jamie F. McFarland has merged with Brophy, Mimier & Co., with offices at Adolphus Tower and American Bank & Trust Bldg. . . . Dranguet, Foote & Co. announces the admission as partners of Truxton L. Shaw and Ford R. Hale, Jr. . . . Weldon B. Shrader has opened his office at 363 Rio Grande, National Life Bldg.

Fort Worth: L. Ward Mendenhall and Larry L. Carter have formed Mendenhall and Carter, 2108 West Vickery.

Laredo: John Y. Dickinson has opened his office at 204 M.M. Garcia Bldg.

UTAH—Salt Lake City: With the admittance of E. Morton Hill as partner, the firm name of Robison and Wood has been changed to Robison, Hill and Wood, 235 South 5th East.

VERMONT—Brattleboro: Robert A. Boucher has begun practice as a principal at 66 Putney Rd.

VIRGINIA—Norfolk: The offices of A. Francis Ritter have been moved to Suite 206, 823 West 21st St.

WASHINGTON—Tacoma: Harry E. Shull has been admitted to partnership in Moss, Adams & Co.

Norman S. Fitzhugh (AIA '23), partner, Fitzhugh, Erwin, McKee & Hickman, Charleston, W. Va., March 3.

Raymond M. Greer (AIA '35), Boyce, Hughes and Farrell, Jersey City, N.J., November 9, 1955.

Charles W. Ignatius (AIA '55), Arthur Young & Company, Pittsburgh, Pa., December 1955.

Philippus Keller (member of the AIA International Association), Bakkenist, Spits & Co., Amsterdam Z, The Netherlands, February 20, 1956.

Douglas I. Mann (AIA '50), partner,

Patterson, Teele & Dennis, Boston, Mass., March 11.

Otho E. Smith (AIA '45), own account, 1501 W. Willetta, Phoenix, Ariz., March 24.

Vincent A. Smith (AIA '25), former head of Wichita office of Arthur Young & Co., 64, Wichita, Kans., February 3.

George R. Young (AIA '25), comptroller of Bristol Brass Corp., 61, Hartford, Conn., February 28.

Theodore J. Whitacre (AIA '52), secretary and controller of Marsh Foodliners, Inc., Yorktown, Indiana, Dec. 24.

Applicants Recommended for Membership

The committee on admissions recommends admission of 155 applicants. They do not become members until voted upon by the Council and declared elected by the president. If protest is to be made against any applicant, it should reach the Institute on or before May 15, 1956.

ALABAMA—Foley: Clifford M. Wood. **Montgomery:** Louie Eugene Blankenship, Brooks A. Gadilhe.

ARKANSAS—El Dorado: Eugene V. Willson. **Magnolia:** Kermit C. Moss.

CALIFORNIA — Alameda: John H. Convery. **Alhambra:** John E. Stevenson.

Beverly Hills: Leonard Cohen, M. Richard Cohen, Julius M. Hammer, Sidney H. Steiner. **Compton:** B. W. C. Seaman.

Inglewood: Philip H. Hayes. **Los Angeles:** Joseph Decker, Walter J. Fairfax, George N. Francis, Robert L. Mac Callum, Jr., Billy Gene Neighbors, William G. Thorne, Herbert B. Wittenberg,

Raymond Tanner Wood. **San Diego:** Virgil Lee Taylor, Jr. **San Francisco:** John O. Bickel.

COLORADO—Colorado Springs: Edgar F. Gerould.

CONNECTICUT—New Haven: Donald L. Perlroth. **Stamford:** Milton London, Anthony R. Lorenzo.

DELAWARE—Wilmington: Robert E. Burns.

DISTRICT OF COLUMBIA: William E. Craumer, Meir Sion Gabbay, Eugene P. Hook, Norman Brown Mumaw, Charles A. Robinson.

FLORIDA — Miami: Gilbert J. Fay, Howard Learner, Philip Paul, Thomas L. Thomson. **Orlando:** Oscar W. Cashwell, Jr.

GEORGIA—Atlanta: Jack W. Money, Carl LaFayette Moon, J. L. Patton.

ILLINOIS—Champaign: Robert Hugh Smith. **Chicago:** Theodore Martin Asner, Richard Henry Blessman, Adrian J. Carl, Keith Erwin Chulock, Clinton B. Henderson, C. M. Ingold, Barbara Jane

Jones, Miles E. Lamphiear, John James McNaughton, Gerald Samuel Nechamkin, Howard Pollack, James T. Young. **East Alton:** Carlton Lee Lister.

INDIANA—Mishawaka: Eldon E. Ebbeskotte. **South Bend:** Robert W. Green. **IOWA—Cedar Rapids:** Robert Joseph Bevenour.

KENTUCKY—Louisville: William D. Wagner.

LOUISIANA—Monroe: Sam Donald, Jr. **New Orleans:** Carroll Albert Chauvin.

MARYLAND—Baltimore: Oliver T. Grahn, Garland E. Martin, Gilbert H. Nolte, Albert A. Rosenstadt.

MASSACHUSETTS—Boston: Leo F. Bonner, Charles Vincent McCue, John F. Murphy, Clifford Edward Myatt. **Pittsfield:** Edward J. Apple, Jr. **Southbridge:** Raymond Leo Girouard. **Springfield:** David T. Wilbur.

MICHIGAN—Detroit: Abe Bohn, Henry M. Klobucar, Fred H. Linscheid, Jr., Ruben R. Vernof, Frederick A. Zimmer.

MINNESOTA — Minneapolis: Burnell Lyle Larson, Orrin A. Wichelmann. **St. Paul:** Bernard M. Sherman.

MISSISSIPPI—McComb: Neil Milburn Faust.

MISSOURI—Clayton: Earl Lamar Laster. **Kansas City:** Issac Barnett Ellis, Charles T. Hornbuckle, Harry L. Morris.

NEBRASKA—Grand Island: Verne R. Moseman. **Omaha:** Dennis J. Cortney.

NEW JERSEY—Lakewood: Arnold D. Mohel. **Long Branch:** Emil J. Lenner. **Newark:** Ira Y. Copen, Rocco Anthony La Manna, George Thomas Logan, Jr., Frank Michael Palombo, Melvin J. Zimmer.

Perth Amboy: Joseph Xavier Seaman, Ronald E. Seaman.

NEW MEXICO — Roswell: Roy E. Crocker.

NEW YORK—Albany: Erminio Michael DiFabio. **Bay Shore:** Alfred R. Allen. **Buffalo:** Paul A. McCabe, Rich-

ard D. McLeron. **Jamaica:** Paul L. Fleischmann. **Mineola:** Charles F. Scifres. **New York:** Cole Brundage, Robert V. Burns, William Joseph Carey, Edward D. Donelan, Jr., Vincent B. Doran, Jr., Frank J. Eppich, Louis Fialkoff, Michael Goldstein, Edward Joseph Goodwin, Bradley H. Green, Pincus Iseson, Alexander Joseph, William J. McCormick, Sidney D. Mandel, Leonard I. Melman, Joseph Philip Meyer, August Muller, Thomas P. Normoyle, Charles B. O'Hara, Jr., Seymour Rothschild, Jack Schlossberg, Burton Slutsky, David Wolinsky. **Rochester:** Rudolph F. Stark.

NORTH CAROLINA—Raleigh: Leon Milo Hollingsworth.

NORTH DAKOTA—Grand Forks: Harold B. Ikelman.

OHIO—Cincinnati: Vernon E. Ahрман. **Dayton:** Ernest H. Guenther.

OKLAHOMA—Tulsa: Edward Otto Yelton.

OREGON—Coos Bay: James M. Bailey. **Portland:** Richard T. Raivio.

PENNSYLVANIA—Philadelphia: Robert L. Benson, Jack Edward Klein, John A. McConnell, Jr., Edward J. Roach. **Pittsburgh:** Oran P. Hall, Edward William Kay.

TEXAS—Dallas: Lee Banie Cheshier, Jr., William Glen Kemp, Doris L. Weaver. **Galveston:** Malloy J. Bavoux.

Lubbock: Robert E. Abbe. **San Antonio:** Jeremiah J. Caples.

VIRGINIA—Newport News: Robert Lee Freeman. **Norfolk:** Ross C. Cramer. **Richmond:** Owen B. Pickett.

WASHINGTON—Bothell: John Robert Norton. **Fairchild:** William P. Letts. **Seattle:** Hazel Nielsen Richards.

WEST VIRGINIA — Mannington: James J. Allen, Jr.

WISCONSIN—Milwaukee: Roland W. Theune.

MEXICO, D. F.—Mexico City: William Ellis Rodgers.

JUNE 1956



The CPA

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AMERICAN INSTITUTE OF ACCOUNTANTS

The CPA

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JUNE 1956
on the cover

AIA President John H. Zebley, Jr. (r.), congratulates Marquis G. Eaton on his nomination as Institute president for 1956-57. Mr. Eaton and nominees

for vice presidents and treasurer were named at AIA Council meeting in Belleair, Fla., April 16-19.

... from the

As the shoemaker's children sometimes go without shoes, so CPAs (who provide "management services" to their clients) sometimes lack effective management of their own practices.

It is no derogation of the professional nature of accounting to recognize that its practice is an economic enterprise. It must make a profit or fail. The services offered must command a price which will permit payment of salaries sufficient to attract good staff men in a highly competitive market (\$400 a month has been offered to an outstanding college graduate with an accounting major this year).

At the same time, accounting services, like any others, can be "priced out of the

executive director's desk



market." So efficiency and economy in the management of professional practices are as important as in business.

Some of the major classifications of managerial responsibility in business are finance, production, sales, personnel, research and development, public relations. It doesn't require much imagination to think of problems which accounting firms must deal with under each of these categories, and it seems clear that methodical planning and good management in each area would be highly rewarding.

"Sales" present special problems. Professional men properly cannot advertise or solicit business. Satisfied clients are the principal source of new engagements. Client relations are therefore of vital importance. For this reason the Institute's committee on public relations is sponsoring an experimental study of client relations, which will be published in pamphlet form in the next few months.

The study is modest in scope. It will not offer "all the answers." But it should stimulate creative thinking by CPAs on one of the most important aspects of the management of an accounting practice.

A handwritten signature in black ink, reading "Hub Carey". The signature is written in a cursive style with a large, looping initial "H" and a long, sweeping underline.

Council Abandons Neutrality In Accountancy Legislation

By a two-to-one margin, the Council of the American Institute has voted to abandon the AIA's present policy of neutrality on state accountancy legislation.

The decision by the Institute's governing body was taken at its spring meeting in the Belleview Biltmore hotel at Belleair, Fla., on April 16-19. Other major decisions of the four-day meeting:

¶ To withdraw from further participation in the *Agran* tax practice case in view of the clarifying statement recently issued by the Treasury Department.

¶ To permit election of members who are not in public practice to the Council.

The Council also heard a report from the nominating committee that its slate of nominees for office in 1956-57 will be headed by Marquis G. Eaton of San Antonio, Texas. Vice-presidential nominees: William S. Deeming of Chicago; L. H. Penney of San Francisco; Donald P. Perry of Boston; and R. Warner Ring of Miami. The nominee for treasurer will be John B. Inglis of New York City. (Biographies of the nominees, along with the state distribution of openings on the Council, appear on pages 15-16.)

The vote to change the neutral

policy on state legislation followed a recommendation of the executive committee.

After a full-scale study of the situation, the committee urged the Council to abandon the neutrality position adopted in 1948 and to substitute for it a policy favoring legislation that would regulate persons who practice as public accountants. The legislation, in the committee's view, should provide for initial registration of public accountants in practice at the time of enactment; but there should be no further registration of public accountants and no reopening of registration in the states where it is already closed under regulatory legislation.

The Council, after extended debate, voted 91-45 to abandon the neutral position. As a result of this action, the AIA's state legislation committee will be asked to draft a statement of provisions which might be incorporated in a regulatory bill. The committee will report back to the Council as soon as possible.

Tax Practice

The proposal to halt further AIA participation in the *Agran* case came in the form of a resolution advanced by the AIA executive committee.

An appeal from the *Agran* decision, which had threatened the rights of CPAs in Treasury practice, is presently slated for argument in the Superior Court, County of Los Angeles, on June 29.

The resolution proposed by the executive committee declared that the interpretation of Circular 230, issued by the Secretary of the Treasury on January 30, had:

1. Reaffirmed the Department's intention to permit all enrolled agents to represent fully their clients before the Treasury.

2. Made it clear that the determination of the proper scope of practice before the Department by enrolled agents and attorneys had been and would continue to be the exclusive responsibility of the U.S. Treasury Department.

The resolution not to participate

further in the case was adopted without a dissenting vote. However, members of Council from California refrained from voting, since the California Society of CPAs had not yet taken an official position on the question.

Nonpracticing Members

On the basis of a study by a subcommittee, the executive committee recommended to the Council that every member of the Institute, whether in practice or in corporate, governmental or educational work, should be regarded as eligible for election to the governing body or appointment to any committee of the Institute.

The Council discussed this suggestion and instructed the by-laws committee to prepare amendments to the



Some state society presidents gather to compare notes during Council meeting. (L. to r.): Donald W. Brown (Okla.), Mark W. Eastland (Fla.), Clifton A. Morvant (La.), I. H. Krekstein (Penn.), and Carl Lipoff (Mo.).

council round-up

by-laws, for review by Council, to give effect to the recommendation.

The executive committee also reported these actions to Council:

¶ Approval, in principle, of enlargement and reorganization of the federal taxation committee.

¶ Nomination of AIA members to participate in the program of the International Congress on Accounting at Amsterdam in the fall of 1957. Among those who have already accepted are: Carman G. Blough, Donald J. Bevis, Joseph Pelej, Ira N. Frisbee, Weldon Powell, and Wilbert A. Walker.

¶ Payment of \$1,000 to help defray the expenses of the permanent office established last year in San Juan by the Inter-American Conference on Accounting.

¶ Authorization for the printing and distribution to the full membership of a special study of the profession's broad public relations problems prepared by the AIA's PR counsel, Earl Newsom & Co.

¶ Approval of a program to encourage Council members throughout the country to discuss AIA affairs at local meetings of CPAs. The program will begin shortly.

¶ Selection of additional sites for annual meetings. The AIA will meet at Seattle this fall; at New Orleans in 1957; at Detroit in 1958; in California in 1959; at Philadelphia in 1960; at Chicago in 1961; and at New York in 1962 for the AIA's 75th anniversary meeting.

Other Committee Reports

Some 38 other committees submitted reports to the Council.

Reports are available to members on request; some of the highlights are covered on pages 8-9, 12-14.

Objective evidence of the health of the Institute was revealed in two of the reports:

1. According to the budget and finance committee, the Institute's income for the current fiscal year is expected to exceed \$1.5 million. The 1956-57 income is estimated at \$1.6 million.

2. The admissions committee reported that membership of the Institute on March 31 was 27,246—a growth of 1,311 members in the first seven months of the current fiscal year. Losses from resignation and nonpayment of dues continue to run a little over one per cent.

To keep pace with this expansion, Executive Director John L.

Council Attendance 1956

Officers	6 of 6	100%
Elected Members	67 of 72	93%
Members-at-Large	9 of 9	100%
Ex-Officio	10 of 22	45%
State Society Pres.	42 of 52	81%
Committee Chairman (not on Council)	20 of 33	60%



THE TWAIN MEET: Council members and wives from California and Florida forget weather feud during Council meeting. (L. to r.): Mr. and Mrs. John B. Norberg (Calif.), Mrs. R. Warner Ring and Mr. Ring (Fla.).

Carey informed the Council of a major shift in assignments on the AIA staff. For details of this reorganization, see page 17.

Guests at Meeting

The Council also heard from two guests: John Arch White of the University of Texas, president of the American Accounting Association; and Robert L. Persinger, Covington, Va., president of the Association of CPA Examiners.

In addition to the four half-day business sessions, there was a special

meeting on Monday (April 16) for the 42 state society presidents in attendance. Clifton A. Morvant of New Orleans, chairman of the AIA's committee on coordination of activities of state and national organizations, presided. On the agenda for discussion: the public relations study, the role of the state societies in maintaining standards, the draft of a new booklet on client relations.

The Council will meet again in Seattle during the annual meeting in September. Its next spring meeting will be held at the Homestead in Hot Springs, Va., April 13-18, 1957.

Roundup of Committee Activities

The major work of the Institute is performed by its committees, aided by the staff.

Here are brief summaries of the activities for the first six months of the current fiscal year—based on the reports presented at the spring meeting of Council. Since such brevity can hardly do justice to the wide-ranging work of the committees, it is worth repeating that the full text of each report is available to members on request.

State Legislation. Released study—the third in a series on state legislation—relating to the practice of accountancy by partnerships and corporations. This may be published in an early issue of *The Journal* . . . Fourth study on unauthorized use of the CPA title is nearing completion . . . Reported only two adverse bills introduced in the 14 legislatures meeting this year. Both were defeated.

Accounting Personnel. Continuing education course in report writing released for general use. Second course on tax practice administration now available. Two other courses on legal responsibility and auditing accounts receivable in preparation . . . AIA aided in experimental staff training program in Michigan . . . Continued use of ca-

reer film has brought total audience to nearly 35 million . . . Demand has necessitated reprinting of all three career booklets . . . New one-hour achievement examination in the accounting testing program has proved popular.

Professional Ethics. Trial Board expelled or suspended five members in cases presented by the committee . . . Under consideration: a re-examination of the rules of ethics—particularly in terms of conduct in tax practice and management services . . . New edition of John L. Carey's book on ethics is in preparation.

Accounting Procedure. Released two bulletins—No. 45 on long-term construction-type contracts and No. 46 on discontinuance of dating earned surplus. Some items on the agenda for discussion: costs of pension plans, deferred credits, book values, contingencies, corporate separations . . . Authorized release of a factual report by the research department on a survey of practices in preparing consolidated financial statements.

Management Services. Developed tentative program to advance the committee's three-part objective—broaden CPA's services to clients,

for First Half of Fiscal Year 1956

improve CPA's prestige as management adviser, increase reliance of business on the CPA. Some projects: case studies, article on problems encountered in field, classified list of management services by CPAs. Possible long-range goal: a full-scale book on the subject.

Electronic Accounting. Working to develop case studies and technical articles as part of an educational program to keep the profession informed of developments in the field.

Interstate Practice. Decried inability of CPA candidates to transfer partial credits on the uniform CPA examination from one state to another . . . Expressed view that requirement of a specific period of residence in state laws should be replaced by a requirement of residence long enough only to demonstrate the good faith of the applicant for a reciprocal certificate . . . Reported passage of bill in New York eliminating residence and place-of-business requirements for out-of-state CPAs seeking endorsement of their certificates.

Relations with Bar. Believes that the Treasury's interpretation deals adequately and fairly with the problems which CPAs faced in car-

rying on their practice before the Department and that it affords a sound basis for joint machinery for cooperation between the legal and accounting professions. Said the committee: "Many problems are yet to be solved and time will be required for a complete solution, but with patience and good will a solution should be found eventually. The solution will be hastened if members of the Institute and of our profession continue to exercise care and judgment in avoiding situations which could give rise to further controversy between the two professions, and to conduct themselves with dignity befitting our professional standing."

Professional Statistics. Completing work on questionnaire to firms and practitioners represented in the AIA membership covering such areas as nature of practice, bases of billing, average income, education and age of the average CPA . . . Report on results expected next fall.

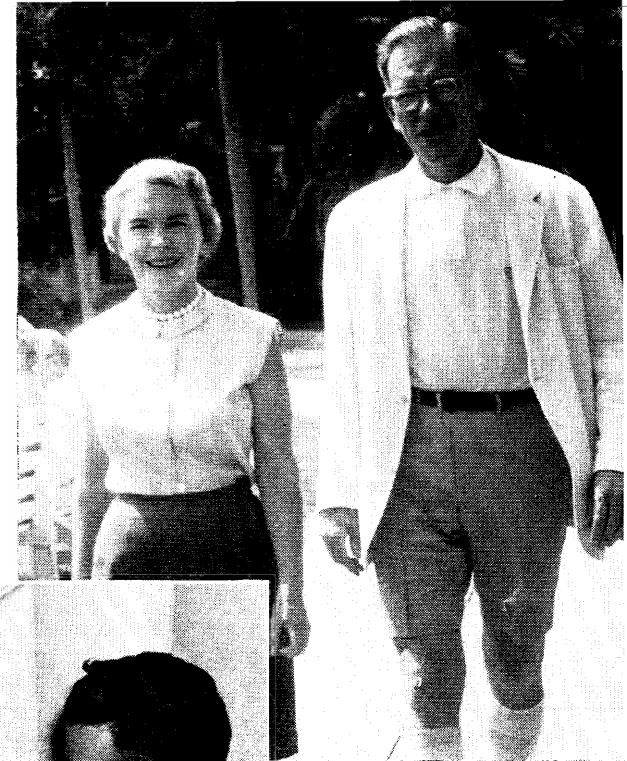
Auditing Procedure. Issued to date this year: Statement 26 on reporting the use of "other procedures" and an auditing procedure case study (tenth in a series) on a small commercial finance company

(Continued on p. 12)



Varied Activities At Council Meeting

Belleair, Fla., April 16-19. Florida sunshine as well as Institute business figured on the agenda of AIA's Council at its spring meeting. At left, some ladies in AIA members' families enjoy a boat trip. (l. to r.): Mrs. Edward J. McDevitt, Mrs. Anthony F. Kearney, Miss Ann McIsaac (daughter of John J. McIsaac), and Mrs. Carman G. Blain. At right, Mr. and Mrs. Alvin R. Jennings of New York out for a stroll.



Above, the problem of education for accountants is discussed by (l. to r.): Robert L. Persinger (Va.), president of the Association of CPA Examiners; Elmer G. Beamer (Ohio), chairman of the accounting personnel committee; John Arch White (Tex.), president of the American Accounting Association; Louis M. Kessler (Ill.), chairman of the board of examiners. In photo at the left, AIA vice president John A. Lindquist reports to Council on the accounting procedure committee, of which he is chairman. Golfers at right (l. to r.): James L. Cockburn, Jr. (Calif.), J. M. Neumayer (Mo.), Harold L. Child (Utah), William P. Hutchison (Ore.).



committee reports

. . . Due in the next few months: case study on a hospital audit and a booklet on the examination of financial reports of securities and commodities brokers and dealers . . . Making intensive study of the applicability of Statement 23 to supplementary data included in long-form reports and to comparative statements . . . In view of this study, postponed consideration of whether or not to recommend incorporation of Statement 23 in rules of professional conduct.

Cooperation with Bankers and Other Credit Grantors. Principal project: a booklet—slated for publication in early fall—on “40 Questions and Answers about Audit Reports” . . . Encouraged articles setting forth viewpoints of both groups. Example: “Figures for the Small Businessman” by Milton J. Drake in the *Midwestern Banker*. Reprints distributed to 16,000 banks with the aid of the Robert Morris Associates. Requests for over 11,000 additional copies for distribution by the banks to borrowers have already been received.

Public Relations. Reported encouraging progress on a booklet on client relations, reflecting the experience of successful firms of varying size. Publication target date: next fall . . . Impressed with success of recruiting film, committee urged production of additional motion pictures when conditions permit.

Coordination of Activities of State and National Organizations.

Approved revised draft of state society operations manual (designed primarily for societies without full-time assistance) . . . Welcomed new state society newsletter which is a quarterly exchange of ideas and techniques for local management of professional accounting societies . . . Urged production of more tape-recorded messages for use at state society and chapter meetings.

Insurance. Plans are nearing completion for a group life insurance program for sole practitioners without staff . . . Life insurance in force under the existing program now tops \$150 million.

Publications. Circulation of *The Journal* topped 80,000 at the beginning of 1956—a 6,000 increase over a year ago. Advertising revenue for the fiscal year is expected to hit \$195,000 . . . Ten other publications were distributed to members or put on sale during the last six months.

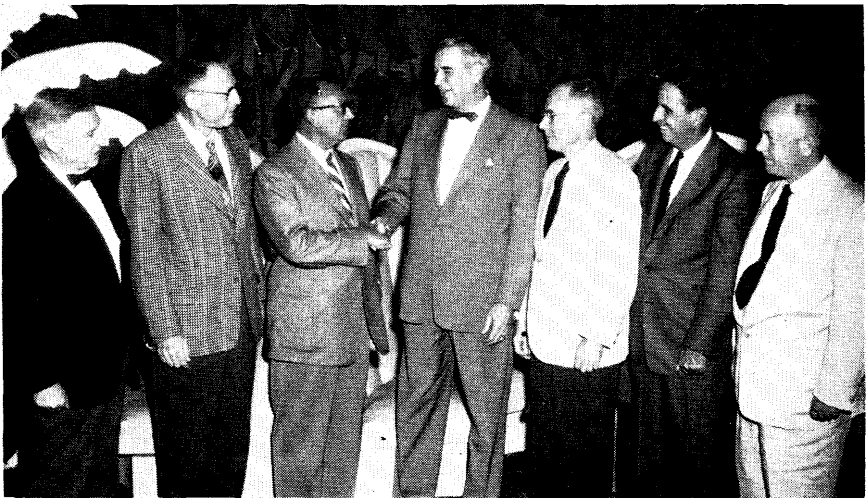
Local Practitioners. Concerned with problem of stimulating articles by local practitioners for *Journal* . . . Serving as information clearing house on plans for continuing the practice of disabled or deceased practitioners. Thirteen state societies now have such projects . . . Reviewing work of AIA to enhance its usefulness to local practitioners.

Accountants' Liability and Liability Insurance. Reported that 11 of 36 states replying in an AIA survey have programs or committees on accountants' liability . . . Cited the efforts of the California Society of CPAs in securing one of the most comprehensive liability policies ever made available to accountants. (See p. 6 in April *Journal* for details.) . . . Met informally with officials of the Surety Association of America to discuss further cooperation.

Federal Taxation. Followed up its detailed analysis of the 1954 Code and its recommendations with conferences with Treasury and Congressional staffs . . . Planning sum-

mer meeting to prepare its legislative program for 1957 . . . Completed fourth survey of IRS administration. Results have been submitted to the Commissioner and made available to firms and practitioners . . . Continued review of proposed regulations as issued. Comments sent to IRS . . . Conducted second tax conference for business executives in New York City . . . Organizing 11-part interpretive series on the Code for *The Journal*.

Natural Business Year. Made plans to confer with those government agencies which require certain regulated industries to keep books on a calendar-year basis. Also will meet



THE NEW SLATE: Institute officer-nominees for 1956-57 receive congratulations of current President John H. Zebley, Jr. (L. to r.): Donald P. Perry, Louis H. Penney, Marquis G. Eaton, Mr. Zebley, William S. Deeming, R. Warner Ring, and John B. Inglis. See p. 15 for nominees' biographies.

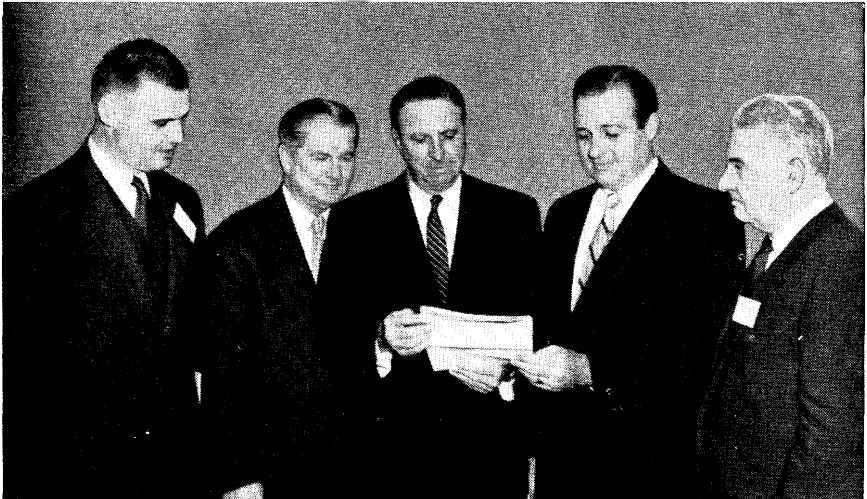
committee reports

with representatives of the industries concerned . . . Reported that 45,000 copies of the AIA pamphlet promoting the natural business year have been distributed with additional mailings planned for bar associations and management engineers.

Board of Examiners. The November CPA exam was given to 11,160 candidates in all of the states, the District of Columbia, Alaska, and Hawaii—a seven per cent decrease from the number taking the November 1954 examination . . . All but three states submitted papers for evaluation by the AIA's ad-

visory service. There were submitted 33,278 individual subject papers from 9,740 candidates. The candidates' performance was consistent with that on recent examinations . . . There is a continuing need for examination questions and problems.

Commission on Standards of Education and Experience. This independent group of educators and practitioners will release its report in August after a two-year study. The full report will be published by the Michigan University Bureau of Business Research; summary will be distributed to full membership.



The Southern States Accountants Conference is discussed by (l. to r.): Roger Wellington; Fladger F. Tannery; R. Warner Ring, general chairman of the conference; R. Bob Smith, program chairman; and Carman G. Blough. The conference is scheduled for June 10-13 at the Saxony Hotel in Miami Beach. Other regional conferences: Central States—June 10-13, Hotel Savery, Des Moines, Iowa; Mountain States—June 14-16, Hotel LaFonda, Santa Fe, N. Mex.; Pacific Northwest—June 21-23, Hotel Chinook, Yakima, Wash.

Officer-Nominees for 1956-57

Marquis G. Eaton, AIA presidential-nominee for 1956-57, is a partner in the accounting firm of Eaton & Huddle in San Antonio. Since becoming a CPA in 1929, he has practiced in Texas and Oklahoma.

Mr. Eaton, who joined the Institute in 1931, was one of its vice presidents in 1951-52. He has also served on its Council, executive committee, and Trial Board.

Mr. Eaton is a past president of the Texas Society of CPAs and of the Southern States Accountants Conference.

Vice Presidents

William S. Deeming, nominated for vice president, is a partner in Scovell, Wellington & Co., Chicago. Since joining the Institute in 1936, he has served as a trustee of the AIA Foundation, as well as on the Council, executive committee, and committee on budget and finance. Mr. Deeming is a past president of the Illinois Society.

Louis H. Penney, a second vice presidential-nominee, is senior partner of L. H. Penney & Co. of San Francisco and Los Angeles. An AIA member since 1924, he has served on the Institute's Council, executive committee, and committee on publications. Mr. Penney is a past president of the California Society.

Vice presidential-nominee Donald

P. Perry is chairman of the Commission on Standards of Education and Experience for CPAs. In 1955 he delivered the Dickinson lectures at the Harvard Graduate School of Business Administration. A partner in the Boston office of Lybrand, Ross Bros. & Montgomery, Mr. Perry is past president of the Massachusetts Society. He joined the AIA in 1934 and has served on Council and the Board of Examiners.

R. Warner Ring is senior partner of Ring, Mahoney & Arner in Miami. A former member of the Florida State Board of Accountancy, he is current president of the Southern States Accountants Conference and past president of the Florida Institute of CPAs. Since joining the Institute in 1935, Mr. Ring has served on many Institute committees and on the Trial Board and Council.

Treasurer

John B. Inglis, nominated as Institute treasurer, is senior partner of Price Waterhouse & Co. in New York. Born in New Zealand, he passed professional accounting examinations there before coming to the U.S. He is a past director of the National Association of Cost Accountants. An AIA member since 1934, Mr. Inglis has served on many AIA committees.

aia officer-nominees

Council Elections

Twenty-four new Council members are to be elected at the AIA annual meeting in September.

Vacancies will be filled as follows: *two seats*—California, New York, Pennsylvania; *one seat*—Alabama, Delaware, District of Columbia, Florida, Idaho, Illinois, Louisiana, Michigan, Mississippi, Missouri, Ohio, Oklahoma, Oregon, Puerto Rico, Texas, Utah, Virginia, Wisconsin.

Vacancies for two-year terms may also occur in Texas and Massachusetts if Messrs. Eaton and Perry, currently Council members, are elected officers as nominated.

Trial Board

Elected to the Trial Board of the Institute for a three-year term were:

Frank L. Arnold, Ohio

Percival F. Brundage, D.C.
Clem W. Collins, Colorado
George A. Hewitt, Pennsylvania
Saul Levy, New York
J. A. Phillips, Texas
Edward B. Wilcox, Illinois

Committee on Professional Ethics

The Council also elected the following additional members of the committee on professional ethics for the remainder of the fiscal year, as authorized by the amendment to the by-laws passed last January:

Samuel J. Broad, New York
Harold R. Caffyn, New York
Alexander Eulenberg, Illinois
Walter R. Flack, Texas
Roy F. Godfrey, Oklahoma
A. Stanley Harmon, Connecticut
Lincoln G. Kelly, Utah
John W. McEachren, Michigan
Donald M. Russell, Michigan
Troy G. Thurston, Indiana

round-up of the news

Benevolent Fund Bequest

The sum of \$6,950 has been willed to the American Institute Benevolent Fund by the late Francis L. Mitchell. With this bequest, the Benevolent Fund now totals nearly \$160,000.

Mr. Mitchell, who practiced on his own account in New York City, was a member of the Institute from

1917 until his death in 1955.

Built up over the years to assist Institute members in financial need, the Benevolent Fund is currently providing assistance to eight members. Fund trustees, with the help of Council, are continually investigating cases of members stricken by prolonged illness or adversity who may need a helping hand.

Say the trustees: It is most urgent to build up the fund during prosperous times like the present so as to be in a position to meet future needs. Contributions to the fund may be treated as federal tax deductions, they point out.

No administrative expenses are charged against the fund. One hundred cents of every dollar contributed reaches needy members.

AIA Staff Reorganization

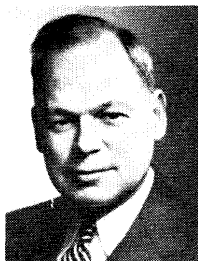
A major shift in staff assignments at the Institute has taken place.

Among the changes:

- Creation of two "assistant directors"—one for administration, to be filled by H. T. Winton, and another for information, to be filled by John Lawler.



Mr. Lawler



Mr. Winton

- Succeeding Mr. Lawler as director of publications and editor of *The Journal* is Charles E. Noyes, former AIA public relations director.
- David H. Lanman, who joined the staff a year ago, will fill the position of administrative secretary, which

was formerly held by Mr. Winton.

- Charles F. Rockwood, who has been assistant public relations director, succeeds Mr. Noyes as public relations director.

Chief reasons for the change:

1. To decentralize administrative responsibility.

2. To provide a workable plan for coping with the probable expansion of AIA. Institute membership has more than tripled since 1945—from 8,964 to 27,246 on Mar. 31, 1956. Annual income has also tripled—from \$500,000 in 1945 to the present \$1.5 million.

Annual Meeting Tax Session

Russell C. Harrington, IRS Commissioner, will be chief speaker at the tax session of the AIA annual meeting in September.

A panel on tax questions, presided over by the Institute's federal taxation committee chairman, J. S. Seidman, will also be held during the session. Serving on the panel will be these former committee chairmen: J. A. Phillips, Maurice Austin, Mark E. Richardson, and Thomas J. Green.

Suggestions about federal tax topics which the panel might discuss are welcomed. All AIA members who have any suggestions or questions are invited to send them to the tax department.

The 69th AIA annual meeting will be held September 22-27 in the Olympic Hotel in Seattle.

firm announcements

ARIZONA — Phoenix: George R. Stephenson has become a principal in the office of Alexander Grant & Co., whose offices have been moved to 345 First National Bank Bldg., 411 North Central Ave.

CALIFORNIA—Alhambra: Willis H. Brown and Edward F. Lloyd announce the admission to partnership of John E. Stevenson and the adoption of the firm name Brown, Lloyd and Stevenson.

Hanford: Raymond E. Wiltshire, Jr. announces the dissolution of the partnership of Willeford & Wiltshire and the continuation of practice under his own name. **Los Angeles:** Samuel W. Stein & Co. and Bernard Greenbaum have merged under the firm name of Stein, Greenbaum & Co., Suite 1020 Halliburton Bldg., 1709 West Eighth St. **Redwood City:** Frank, Rimerman & Co. announce the admission of John C. Pfahnl as partner.

FLORIDA—Pensacola: Marvin L. Baggett and D. Coulson Barfield have organized under the name Baggett and Barfield, 204 West Chase Street.

ILLINOIS—Northbrook: Edward A. Schneider has opened his office at 2054 Walnut Circle.

OKLAHOMA—Oklahoma City: A. O. Champlin, Kenneth E. Moak, Sam W.

Hunsaker, and Ralph A. Rouse announce the formation of a partnership under the name of Champlin and Co., Suite 1349 First National Bldg.

NEW YORK—New York: H. H. Lawin & Co. announce the admission of Kenneth G. Futter as a general partner.

Watertown: Farrington & Adams announce a change in firm name to Edwin H. Adams & Co.

obituaries

Norman C. Deloss (AIA '47), 68, Riverside, Calif., March 9.

Frederick Fischer, Jr. (AIA '20), 74, own account, New York, N.Y., April 17.

Ernest W. Gibson (AIA '48), 72, assistant professor of accounting, Texas Technological College, Lubbock, Tex., Dec. 15, 1955.

Walter H. A. Gould (AIA '24), 66, own account, Pittsburgh, Pa., April 5.

Robert A. Reid (AIA '52), 46, National City Bank of Cleveland, Bay Village, Ohio, March 6.

Albert Royle, 69, (International Associate), Arthur Young & Co., London, England, April 11.

Applicants Recommended for Membership

The committee on admissions recommends admission of 175 applicants. They do not become members until voted upon by the Council and declared elected by the president. If protest is to be made against any applicant, it should reach the Institute on or before June 15, 1956.

ALABAMA — Birmingham: Fred H. Heath. **Huntsville:** Joseph E. Snyder. **Mobile:** Frank Elliott Wallace. **Montgomery:** William L. Flurry. **Wilson Dam:** Arnold E. Briglia.

ARIZONA—Phoenix: Christopher J. Montague.

ARKANSAS—Paragould: Roger L. Anderson.

CALIFORNIA—Beverly Hills: Arnold

M. Ganes, Catherine Ryan. **Los Angeles:** Walter L. Ghirardelli, Richard Stanley Mathews, Jimmy Hajime Shiode, Robert B. Welsh. **Long Beach:** Melvin Donald Madsen. **Pasadena:** Patrick James Lyons. **San Bernardino:** Gerald Gleave Larsen. **Whittier:** Raymond Richard Rickson.

COLORADO — Denver: William E. Fyffe. **Greeley:** Quintus C. Fuller.

CONNECTICUT—Hartford: Thomas J. Kindilien. **New Haven:** J. Malcolm Coleman, James Dawson Kircaldie.

DELAWARE—Wilmington: Charles L. Robertson, James H. Snyder.

DISTRICT OF COLUMBIA: Henry H. Dembo, Frank R. Joslyn.

FLORIDA — Jacksonville: Ernest T. LeBaron, Carroll D. Wright, Jr. **Miami:** Irwin C. Rust. **South Miami:** W. Keith Wheeling. **Tallahassee:** Evelyn McLendon Henderson.

GEORGIA — Atlanta: Richard Sigurd Simons, Jr., Frank Adolph Winter.

ILLINOIS—Chicago: Cormick Leo Breslin, John Thomas Culleeney, Robert Frederick Fenske, Wigo Richard Juergensen, Harvey Robert Kallick, Irwin Kulwin, Oscar Marvin Kriegman, Frank M. Maloney, Michael Zakutansky. **Peoria:** Edward Joseph O'Leary.

INDIANA—South Bend: F. Dale Metzger.

IOWA—Davenport: Sheldon S. Sitrick.

KANSAS—Kansas City: Bob M. Keeny. **Pittsburg:** William J. Weigel.

KENTUCKY—Lexington: William M. Batsel, Albert E. Gross, James Benedict Landram. **Louisville:** Thomas Kempe Baer, Arthur G. Hendricks, Earl Bernard Wiggins, Jr.

LOUISIANA—Baton Rouge: Clarence L. Dunn. **Monroe:** James S. Drew. **New Orleans:** Donald M. Nettles.

MARYLAND—Baltimore: Norman Rabineau. **Hagerstown:** Merle Stuart Elliott. **Silver Spring:** Walter Edward Joerg.

MASSACHUSETTS — Boston: Leo Aronson, Joan A. Curran, Armin J. Frankel, Bertrum Norman Kellem, Lawrence A. Kiley, Robert E. Tassinari.

MICHIGAN—Cadillac: Jack H. Baird. **Detroit:** George J. Bahadurian, Frank V. Giancola, Robert Louis Pobur. **Grand Rapids:** G. Edward Philips, Betty Jean Thomas.

MINNESOTA—Minneapolis: Melvin R. Harris, Morris Lehrman.

MISSISSIPPI—State College: Joseph F. Curry.

MISSOURI—Kansas City: John L. Brockett. **St. Louis:** Frank B. Avery, Carl J. Carlie, Albert Irl Dubinsky, Robert Esrock. **Sikeston:** William Alton McCann.

NEW JERSEY—Newark: Abraham H. Nechemie, John Anthony Staba, Peter John Szeftczek. **Paterson:** Arthur Edward Goldberger, Herbert G. Zarrow.

NEW MEXICO—Albuquerque: William C. Colborne.

NEW YORK—Albany: John F. Jennings, Burton F. Van Zandt. **Binghamton:** Joseph Francis Guth. **Bronx:** Victor E. De Curtis. **Buffalo:** Paul Shulman. **Hempstead:** Gerald D. Sherman. **New York:** Gerald W. Ackerman, Aaron L. Akabas, Bernard H. Burton, Denis R. Cunynghame, Gerald Harris Dallek, Thomas Vincent Devins, Harold Fieldsteel, Julius Feldman, Ralph Ginsberg, Sidney Larry Gordon, Robert E. Hammond, Murray Jaffe, Laurence Lohman, Howard F. Mahon, Anthony P. Manforte, Gerald J. McCoy, Andrew Radel McElroy, Louis R. Miller, Richard North, Joseph W. Oberfell, Arne Roy Reinertsen, Jerome R. Rosenberg, Stanley I. Rosenberg, Bruno J. Stefanoni, Richard T. Stelter, Frank Richard Travalia, Paul Weintraub, Max White.

NORTH CAROLINA—Asheboro: Everett D. Caudle. **Charlotte:** Warren Cecil Bolick, Henry William Stephan, Howard

Eanes Warren. **Dunn:** Carl McMillan Parnell. **Greensboro:** Tom Smith Browder. **Hickory:** Francis M. Rink. **Lumberton:** Robert A. Currie. **Morganton:** Bruno G. Draxler. **Raleigh:** William Edward Hamrick, Harry Lee Laing, Fred W. Talton.

OHIO—Cincinnati: Prewitt Paynter. **Cleveland:** Robert P. Buchanan, Frank A. Corcelli, Edwin J. Kenney. **Columbus:** Thomas W. Cutlip. **Dayton:** Bertram Plotnick.

OKLAHOMA—Tulsa: A. Arthur Davis.

OREGON—Portland: Alexander Richard Bartley, Philip E. Carsten, Tony O. Davis, Robert Roland Hansmann, Harold M. Youel. **Salem:** Robert E. Hanberg.

PENNSYLVANIA—Harrisburg: Robert F. Nation. **Philadelphia:** Vincent P. Hartman, George K. Higuchi, Charles F. Kelly, William H. Schragen, William C. Schuster. **Pittsburgh:** James M. Phil-

lips, Donald Stanley Plung, Howard Werner.

TENNESSEE—Chattanooga: Richard C. Hammond, Roy Franklin Tipton.

TEXAS—Dallas: Cloyce E. Hallman, Bobby M. Jones. **El Paso:** George Leonard Kenner. **Fort Worth:** Larry L. Carter, C. F. Musgrave. **Houston:** Thomas B. Tyson, Archie A. Leach. **Longview:** Richard H. Bourdon. **Lubbock:** Alex H. Williams.

UTAH—Ogden: Harold W. Bennett.

VIRGINIA—Norfolk: Morton Goldmeier, Paul C. Rish, Jr.

WASHINGTON—Seattle: W. Ross Bryan, John N. Drew, Kay D. Jones.

WEST VIRGINIA—Charleston: John L. Burkard. **Huntington:** Herbert G. Diamond, Jr. **Wheeling:** Hale Drury Fox.

WISCONSIN—Sheboygan: Lester J. Graef.

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The American Institute of Accountants
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The CPA

MEMBERSHIP BULLETIN OF THE
AMERICAN INSTITUTE OF ACCOUNTANTS

**A Junior Achiever Receives
Institute Scholarship Award**

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The CPA

Published monthly for
the membership of the
AMERICAN INSTITUTE OF ACCOUNTANTS
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New York 16, N.Y.

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**JULY-AUGUST
1956**

on the cover

Kenneth L. Thompson (l.), vice president of the California Society of CPAs, awards AIA scholarship check to Junior Achiever Leroy Brown of Berkeley, as

Oakland CPA Carl G. Orne (r.) watches. Mr. Orne was chief advisor to the Junior Achievement accounting company in which Mr. Brown was treasurer.

... from the

Certified public accountants are in the spotlight. They are being watched more carefully by more people than ever before.

The Treasury Department, for example, has become more conscious of what CPAs are doing in settling cases with the Internal Revenue Service.

The legal profession has become a close and interested observer of various activities of the accounting profession.

Bankers have become more aware of auditing standards; they are now much more likely to note any failure to comply.

Efforts to attract good personnel have brought the profession under the scrutiny of students, parents, vocational advisors, and teachers.

Legislative disputes with noncertified accountants have invited inquiries by legislators



executive director's desk

as to what certified public accountants stand for and what they do.

For various reasons, financial writers, businessmen, government officials, and other segments of the public are paying more attention than formerly to the activities of CPAs.

On the whole, the accounting profession shows up very well under this examination. But there are a few weak spots, and efforts are under way to strengthen them. For example:

1. The report of the Commission on Standards of Education and Experience for CPAs is expected in August. It may point the way to uniform prerequisites for the CPA certificate.

2. An enlarged ethics committee is now overhauling the rules of conduct, with special attention to problems not now covered. A revised edition of the book, *Professional Ethics of Certified Public Accountants*, is scheduled for publication in the fall.

3. Efforts are being made to develop a uniform national policy on legal regulation of practice as a public accountant.

These are only illustrations. Many other projects are under way to improve standards and performance.

Added to the highly effective work of recent years in developing accounting and auditing procedures,* bettering the uniform CPA examination, and improvements in other areas, these current efforts, if supported by the profession as a whole, should assure a creditable showing under the spotlight.

A handwritten signature in black ink, which appears to read "John Carey". The signature is written in a cursive, flowing style with a large, prominent initial "J".

Executive Committee Urges New Vote on Institute Name

At its May 25-26 meeting, the executive committee decided to recommend that Council approve the resubmission of a proposal to change the Institute's name to "American Institute of Certified Public Accountants." Accordingly, such a recommendation will be made to Council at its meeting in Seattle on September 22, 1956. Should Council approve the recommendation, the proposal will be brought before the annual meeting on Tuesday, September 25, 1956, for a decision on *the part of those members present* on the question of whether the proposal should be submitted to the membership as a whole for a mail ballot.

This proposal was approved at the 1955 annual meeting of the Institute in Washington, but in the subsequent mail ballot required by the by-laws, it failed to obtain the necessary affirmative votes of two-thirds of the members voting. The result of the mail ballot was 10,363 for, and 6,922 against.

At its meeting in May, the executive committee considered a recommendation of the committee on public relations that the matter be reconsidered this year. It was the sense of the executive committee that the failure by a narrow margin to obtain

approval of the proposal last year was due to lack of an official explanation to the members of the reasons underlying the recommendation for change. The executive committee resolved that the members be informed in this issue of THE CPA that the subject might be reconsidered at the next annual meeting, and also be informed of the reasons which have led the executive committee to recommend such reconsideration.

The public relations committee stressed the importance of minimizing public confusion as to the difference between certified public accountants and other accountants. "It is of primary importance to the members of our profession," the committee on public relations said, "that the title 'certified public accountant' should be more widely recognized as a specific mark of professional competence. It should be included in the name of our professional organization."

The executive committee noted that an eminent member of the bar had recently publicly suggested that the Institute had taken "all accountants under its wing." The committee also recognized the likelihood of difficulty on the part of the public in distinguishing between the Institute

and other accounting organizations.

Many members of the Institute have written to the Institute, recommending the inclusion of the words "certified public accountants" in the Institute's title in order that its publications and official statements would continually remind the public of the identity of the organization with the certified public accountants of the country.

Since the Institute for the past twenty years has admitted as members none who did not possess CPA certificates, and since the number of remaining members without certificates who gained admission under earlier requirements is only 38, there seems to the executive committee no good reason for delaying the change of name. It was pointed out at the meeting that the change of name has no relationship to the standards of admission, which must remain as they are unless the members choose to amend the by-laws to modify them.

Standards Commission Reports

The Commission on Standards of Education and Experience for CPAs has completed its four-year study of requirements for the CPA certificate. The study has been described as the first comprehensive review of standards for admission to practice as a certified public accountant in the 60 years since that title was created.

The 176-page report will be pub-

lished for the commission August 6 by the University of Michigan Press. A pamphlet containing the introductory sections, summary and recommendations will be sent to all members of AIA and the American Accounting Association.

The commission was created in 1952 as an independent, autonomous group. Its purpose was "to formulate standards of education and experience which are considered desirable prerequisites for state certification as a CPA."

Financing the study were the AIA, the American Accounting Association, eight state boards of accountancy, and 32 state CPA societies.

The 24 commission members included practicing CPAs, members of state boards of examiners, accounting teachers, and educational administrators.

Chairman was Donald P. Perry, a current AIA vice-presidential nominee, and the study was conducted for the commission by Frank P. Smith, director of the Bureau of Business Research of the University of Michigan, and Samuel R. Hepworth, associate professor of the School of Business Administration, University of Michigan.

The report was reviewed by the commission at a meeting in January, and approved by mail after revision. Dissenting views on some points were filed by five members.

The report is based on discussions with commission members, practic-

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ing CPAs, members of state boards of accountancy, officers of state organizations of CPAs, governmental and industrial accountants, accounting teachers, and educational administrators. Many statistical studies were also utilized.

The full report will be available in a bound volume at \$2.50 per copy from the University of Michigan Press, Ann Arbor, Mich.

Professional Recognition

The General Recognition of Accountancy as a Profession, a study by Arthur B. Tourtellot, was sent recently by the Institute to its members. Mr. Tourtellot is a partner of Earl Newsom & Company, public relations counsel of the Institute.

The study was made in response to a request from the AIA executive committee for an appraisal of the public relations of the accounting profession and the American Institute.

Prior to preparation of the final draft, the study was reviewed and discussed by the executive committee and the public relations committee.

Junior Achievement Award

The Institute's 1956 Junior Achievement Scholarship award went to a California Junior Achiever whose company provided accounting services to other J.A. companies.

The winner, Leroy Brown of

Berkeley, received the check for \$250 from Kenneth L. Thompson, vice president of the California Society of CPAs. (See cover picture.)

Mr. Brown was treasurer of the J.A. company, which was organized with the help of the East Bay chapter of the California Society. He expects to major in accounting at the University of California. An Institute member from Oakland, Carl G. Orne, was chief advisor of the J.A. accounting company, with the assistance of seven other CPAs.

The company, composed of high school students, prepared accounting reports and tax returns, made annual audits, and gave bookkeeping assistance to other Junior Achievement companies at fifty cents an hour.

The AIA has awarded the scholarship annually since 1950 to the high school graduate whose scholarship record, performance in the J.A. program, and interest in accounting indicate he may successfully enter the accounting profession after college.

Committee Days Changed

The Institute executive committee has advanced the date of committee meetings usually held in March to December.

Reasons for the change:

- To avoid the present conflict with the tax season.
- To allow committee chairmen to plan programs shortly after their

Three Regional Accounting Conferences



Accountants in several regions held annual conferences in June. In photo at upper right, Fladger F. Tannery (l.) and R. Warner Ring are shown at Southern States conference in Miami Beach. Directly above is a technical session of Mountain States conference held in Santa Fe, New Mexico. L. to r., seated, are: Willard S. Bowen, Carman G. Blough, Jerome J. Kesselman, Robert E. Witschey; standing, M. T. Deaton and S. E. Newman. Below are wives of three CPAs at Central States conference in Des Moines. L. to r.: Mrs. James R. MacNaughton, Mrs. William J. Slais, Mrs. Palmer C. Bakken.

Above, Professor W. A. Paton of the University of Michigan, guest speaker at Central States accounting conference.



round-up of the news

appointments and permit new committee members to participate in committee work earlier.

Committee meetings will also be spread out from the present three days to four days. In this way, Institute staff men assisting more than one committee may attend all the meetings of committees to which they are assigned.

The executive committee decided that the committee meetings will be held in Chicago next December, to minimize differences in travel time of committee members.

The plan for holding meetings of most AIA committees in the same city was inaugurated in March 1953. Meetings since that date have always been held in that month in Washington.

New AIA Publications

Working with the Revenue Code in 1956, a new book based on material from the Tax Clinic column in *The Journal of Accountancy*, will be published by the American Institute at the end of July.

Items appearing in the book were selected, revised, and brought up to date, where necessary, by James J. Mahon, Jr., editor of the Tax Clinic. Mr. Mahon has also arranged the items numerically according to the Code section number to which they apply. In some instances, he has provided a current commentary.

The book, which includes two

hundred Tax Clinic items, is a much-expanded version of an earlier collection published last year.

Price: \$2, paper-bound; \$2.50, cloth-bound.

- A booklet reporting the results of a survey of consolidated financial statement practices is also scheduled for publication by the AIA.

The survey was conducted by the Institute's research department. Approximately 400 companies were sent questionnaires, of which 329 were returned and analyzed.

Companies selected for the survey are regularly included in the AIA's annual publication, *Accounting Trends and Techniques*. Only those companies presenting consolidated statements in their annual report issued in 1954 were queried, however.

The booklet is intended merely as a factual study. No recommendations are made as to best practice, where several alternative methods are reported.

It is expected that the booklet will be sent to the membership in late August.

- Another booklet, outlining procedures helpful in audits of brokers or dealers in securities, will be issued by the Institute committee on auditing procedure. This pamphlet is also scheduled for late summer distribution to AIA members.

The booklet includes audit procedures required under the regulations of several agencies, but points out that emphasis on a client's inter-

nal control should continue so that ultimately auditing may be conducted more on a test basis and more in line with auditing of comparable other businesses.

Railroad Accounting

The first meeting of the AIA committee on relations with the Interstate Commerce Commission was held in Chicago recently.

The committee was formed at the request of Phillip L. West, vice president of the New York Stock Exchange, after he had consulted with C. W. Emken, director of the ICC Bureau of Accounts, Cost Finding and Valuation. Mr. Emken has said that he is in complete accord with

the program and is ready to cooperate with such a committee.

Anthony F. Arpaia, ICC chairman, also endorsed Mr. West's request.

In a letter, Mr. West suggested that the Institute form such a committee which would address itself to "the problem of clearing the principal divergencies between accounting practices of railroads and generally accepted accounting principles of other industries, in order that the opinions of individual public accountants, as published in the annual reports to stockholders of railroad companies, may state that the accounts are in accordance with accepted principles of accounting."

At present, such opinions usually



SE HABLA ESPANOL: A series of 15 tax television programs in Spanish and English were sponsored by the San Antonio chapter of the Texas Society. Participants in the program above are (l. to r.): David W. Sides, local IRS official; John F. Kramer, chairman of the chapter's tax committee; Alfonso J. Garza, moderator; and Donald R. Eaton, chapter president.

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state that railroad financial statements are in accordance with the accounting principles and methods prescribed by the ICC.

Chairman of the new committee is Howard D. Murphy. Committee members are: Arthur J. Abbott, William R. Blew, Nels C. Nelson, Russell D. Tipton.

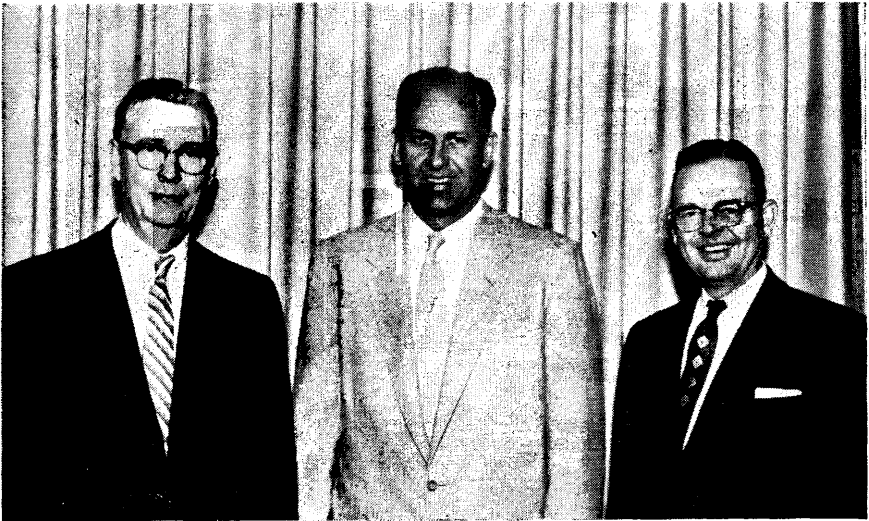
Agran Case Continued

The board of directors of the California Society of CPAs has voted to support the appeal from the decision in the *Agran* case.

The appeal was set for trial on June 28 before the Appellate Department of the Superior Court of Los Angeles County.

Following a previous decision by the Los Angeles County Superior Court, in which it was held that part of Mr. Agran's services constituted the unauthorized practice of law, the case was retried in the Los Angeles Municipal Court and Mr. Agran was awarded \$1,000 for services not considered the practice of law. He had originally sued for \$2,000.

It is this latest decision that is being appealed again.



INSTITUTE FIELD TRIPS: (L. to r.) Leonard H. Axe, dean of the School of Business of the University of Kansas; AIA vice president Dixon Fagerberg, Jr.; and W. Keith Weltmer, executive secretary of the Kansas Society of CPAs, are shown during Mr. Fagerberg's speaking engagement in Lawrence, Kansas. In all, ten speakers visited 44 cities in 14 states as part of the American Institute's 1956 field trip program.

Mailing to Staff Men

About 6,000 complimentary copies of the September *Journal of Accountancy* will be distributed to accounting firm staff men not currently receiving *The Journal*. This is part of a program designed to increase readership among this group.

The staff men's names and home addresses were provided at the request of the Institute by member firms.

A similar program is being conducted to stimulate circulation of *The Journal* among accounting personnel in commerce and industry. Institute members in this classification have submitted the names of approximately 4,000 potential readers to whom the September issue will be sent.

Members who have not yet participated in these programs may still do so by sending their rosters to Mitchell Gresser, *Journal* circulation director.

AIA Members in the News

The Federal Reserve Board has appointed George D. Bailey as special consultant on a survey of consumer installment credit . . . Philip J. Warner, president of Ronald Press Co., has been elected president of the National Association of Cost Accountants for 1956-57 . . . AIA President John H. Zebly, Jr., received a plaque from the Pennsyl-

vania Institute of CPAs at its annual meeting. . . . Another citation was recently awarded by the Washington Society of CPAs to Roy C. Comer for his services to the profession . . . Kenneth W. Theis has received the 1955 Distinguished Service Award of the Pine Bluff (Ark.) Junior Chamber of Commerce for his community work . . . Edward E. Judy, treasurer of the Tennessee Society of CPAs, has been elected president of the Knoxville Chamber of Commerce . . . Dr. Mary E. Murphy has accepted a two-year appointment beginning next January as director of a Research and Service Department to be created by the Australian Institute of Chartered Accountants . . . Professor Stanley B. Tunick has been elected chairman of the accountancy department at the Bernard M. Baruch School of Business and Public Administration of the College of the City of New York.

Journal Tax Series

Eleven feature articles on inequities, loopholes, and uncertainties encountered in provisions of the 1954 Revenue Code will be published in *The Journal of Accountancy*, beginning in the August issue and concluding in December.

Members of the American Institute committee on federal taxation are writing the articles. Each article is reviewed by: (1) J. S. Seidman, general chairman of the committee;

round-up of the news

(2) Wallace M. Jensen or Leslie Mills or J. P. Goedert, chairmen of the committee's three subcommittees; and (3) the Institute's tax department.

Subjects, together with the author and *Journal* issue in which they will appear, are as follows:

August Journal

Corporate Liquidations....T. T. Shaw
Corporate Organization and ReorganizationWaymon G. Peavy
Dividends and Stock Redemptions....
Mark E. Richardson

September Journal

PartnershipsHarry Janin
Employer-Employee Relations
Matthew F. Blake

October Journal

DepreciationThomas J. Graves
Estates and TrustsMary Lanigar

November Journal

Net LossesArthur O. Palm
Accounting Methods
Maxwell A. H. Wakely

December Journal

Other Deductions & Credits
Kenneth C. Hurst
Other IncomeAbner E. Hughes

"White-Collar Larceny"

Forgers in the United States get away with well over \$1,000 a minute, says Lester A. Pratt, an Institute member, in *The Saturday Evening Post*.

In his article, "Beware of the Art-

ful Forger!" in the April 28 issue, Mr. Pratt estimated forgery loss at \$1,750,000 a day.

About 54 per cent of the forgers arrested have never been in trouble with the law before, while the others have been arrested frequently . . . "for it is almost axiomatic that forgers never reform," says Mr. Pratt.

He notes that nearly 20 per cent of the bad check passers are women.

Mr. Pratt has his own public accounting firm in Washington, D.C.

Continuing Education Courses

The American Institute course on report writing has been taken by 378 people who attended 16 classes in 15 different geographical locations.

The course, released in the spring of 1955, was the first developed under the Institute's continuing education program. Another course on tax practice administration was released in the fall of last year, and a third course on accountants' legal responsibility is now being tested. (Some of the participants in the latter course are shown in a photo on page 13.)

The continuing education courses were prepared by the AIA committee on accounting personnel to provide accountants with organized methods of continuing their professional education.

The courses are available only to state societies and local chapters because the committee feels best results can be obtained through discussion

and comparison of accounting methods made possible when classes are composed of individuals from a number of different firms.

State societies and local chapters have sometimes designated committees to handle the courses; in other cases they have relied on the extension divisions of state universities.

The committee recommends that class enrollment should be limited to 30 members, and preferably less.

The courses are planned for eight sessions, each at least two hours long. Because extensive outside preparation is required, the committee suggests that classes meet only once a week.

Materials for the courses are provided by the Institute at a fixed charge per student.

Suggestions as to the organization and operation of both the report writing and tax administration course are available on request from the AIA education department.

Indiana Secretary Dies

Roy W. Steele, executive secretary of the Indiana Association of CPAs, died on May 13 in Indianapolis.

Mr. Steele, who was 75, was a former newspaperman who had worked for the *Boston Journal*, the *Washington (D.C.) Times*, and the



Participants in the accountants' liability course tested this spring at the Institute offices in New York City are (l. to r.): Frank E. Small, Oscar S. Gellein, who led the group discussion, and Sheldon Freedman.

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Indianapolis *News*. He had served the Indiana Association for several years.

Spanish Reprint

A reprint in Spanish of "Figures for the Small Businessman" is being distributed in Mexico by the Instituto Mexicano de Contadores Publicos and the Colegio de Contadores Publicos de Mexico.

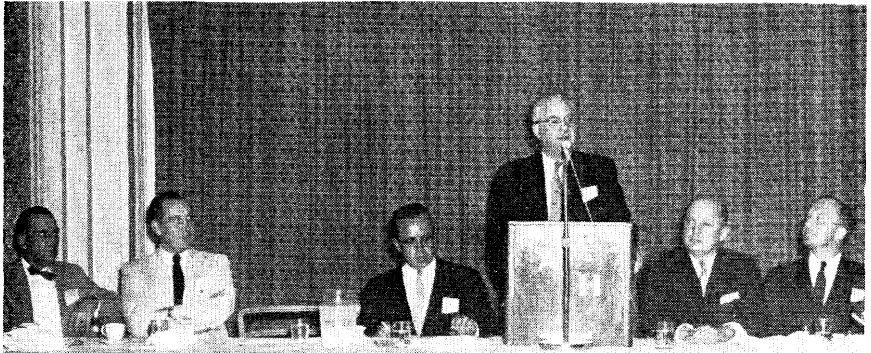
"Figures for the Small Businessman" was written by Milton J. Drake, vice president of The Detroit Bank, at the suggestion of the American Institute public relations department. It was first published as an article in *The Midwestern Banker*

and later reprinted in pamphlet form by the AIA.

The article stresses the importance of both the independent CPA's services to small business and the CPA's opinion on financial statements submitted for bank credit purposes.

Mexican Accountant Honored

Mexican accountants recently honored Don Fernando Diez Barroso, who has been called the founder of the public accounting profession in Mexico. He was one of the founding members of the Instituto de Contadores Publicos Titulados de Mexico, the Mexican accounting organization comparable to the AIA.



Institute research director Carman G. Blough, at the microphone, moderates a session when AIA auditing procedure committee members spoke to the Colorado Society of CPAs after their own meeting in Denver. Shown above, l. to r., are: Horace G. Barden, auditing committee member; Harlan M. Holben, chairman of the Colorado Society accounting and auditing procedure committee; Axel C. Ahlberg, vice president of the Colorado Society, who presided at the meeting; Mr. Blough; Donald J. Bevis, chairman of the AIA auditing procedure committee; and John C. Potter, member of the committee.

A statue of the eminent accountant was dedicated by the Mexican Institute in a televised ceremony.

Puerto Rico CPA Cited. Emiliano Pol, Jr., who has been president of the Instituto de Contadores de Puerto Rico, received an award for outstanding citizenship at the 44th annual dinner of the United States Chamber of Commerce, held recently in Washington, D.C.

Mr. Pol has been an AIA member since 1936.

North Carolina CPAs Aid State

An advisory committee, formed by the North Carolina Association of CPAs as a service to their state government, is completing a study of the North Carolina Revenue Act.

The committee was established at the Association's 1955 annual meeting, and North Carolina's Governor Luther H. Hodges was advised that the experience and resources of the Association's members were at the state's disposal.

In September 1955, the North Carolina Tax Study Commission requested that the CPA association make an exhaustive study of the state's revenue law and present recommendations for changes.

The advisory committee will report soon, and committee members are expected to appear before the Commission to discuss the report.

Harold Benington (AIA '07), 80, Scovell, Wellington & Company, Chicago. On April 27 in Redondo Beach, Calif.

A. B. Beynon (AIA '45), 59, own account, San Antonio, Texas. On Dec. 20, 1955.

D. P. Biermann (AIA '10), own account, New York City. On Jan. 30.

Joseph E. Bierschenk (AIA '41), 62, Lybrand, Ross Bros. & Montgomery, New York City. On April 22.

Benjamin Blattner (AIA '22), 65, own account, New York City. On March 10.

Clifford S. Brison (AIA '21), 68, own account, Bronxville, N.Y. On July 9, 1955.

Norman D. Cann (AIA '36), Cann & Long, Washington, D.C. On March 17.

Harry N. Case (AIA '42), 43, Lybrand, Ross Bros. & Montgomery, New York City. On May 25.

A. L. Crampton Chalk (AIA '26), 65, own account, London.

Leo W. Crown (AIA '52), 56, Alexander Grant & Company, Chicago. On April 12.

Edward D. Donelan (AIA '47), 63, Ernest W. Bell and Company, New York City. On March 18.

Joseph M. Dreyfuss (AIA '50), 39, own account, Wheeling, W. Va. On March 16.

Charles J. Gast (AIA '51), 56, Haskins & Sells, Chicago. On April 1.

John Avery Grannis (AIA '25), 71, Grannis & Associates, Nashville, Tenn. On March 30.

Clayson J. Hauck (AIA '39), 54, Clayson J. Hauck & Company, Chicago. On Feb. 13.

Frank M. Holmes (AIA '41), 65, own account, Denver. On Dec. 10, 1955.

obituaries

- Albert E. Jennings** (AIA '44), 54, Tri-Clover Machine Co., Kenosha, Wis. On Feb. 13.
- Frederick Johnson** (AIA '11), own account, Los Angeles. On Feb. 13.
- Neal McKeown** (AIA '44), 46, The Burger Brewing Company, Cincinnati. On May 19.
- John T. Menefee** (AIA '36), 71, own account, Chattanooga, Tenn. On March 16.
- Carey E. Neff** (AIA '49), 71, Rowland, Morris, Busse, Cain, Neff and Simon, Detroit. On Nov. 1, 1955.
- William Newton** (AIA '51), 40, Arthur Andersen & Co., Atlanta. On June 14.
- John Emerson Ott** (AIA '53), 37, Johnson, Atwater & Company, Chicago. On May 27.
- Parley E. Peterson** (AIA '23), 77, professor, Utah State Agricultural College, Logan, Utah.
- John Beverly Redford** (AIA '24), Redford & Harris, Durham, N.C. On April 11.
- Robert Bower Ritchie** (AIA '54), 69, Western Savings and Loan Company, Salt Lake City. On May 23.
- Leonard X. Rosenberg** (AIA '49), 44, controller of Goldblatt Bros., Inc., Chicago.
- James F. Sanborn, Jr.** (AIA '40), 49, Lybrand, Ross Bros. & Montgomery, Boston. On Jan. 26.
- Henry L. Schwering** (AIA '42), 68, own account, Sheffield Lake, Lorain, Ohio. On May 19.
- Elbert V. Silver** (AIA '49), 54, professor, University of Miami, Coral Gables, Fla. On May 25.
- Kurt M. Sinner** (AIA '27), Sinner & Co., Newark, N.J. On Feb. 23.
- Birney D. Spradling** (AIA '25), own account, Indianapolis, Ind. On Oct. 30, 1955.
- Ernest N. Wood** (AIA '16), 77, Niles & Niles, New York City. On June 7.

firm announcements

CALIFORNIA — **Los Angeles:** Gabrielson, O'Sullivan, Poulson and Company have merged with Haskins & Sells and will practice under the latter name. Offices will be at 523 West Sixth Street. . . Paul M. Lee and D. L. Sheridan will be associated as partners in the firm of Lee, Sheridan & Co., 1055 West 7th Street. . . Geo. H. Young will be resident partner of Main and Company in their Los Angeles office, Roosevelt Bldg. **San Francisco:** Linton L. Emerson, Jr., announces the opening of his offices at 525 Market Street.

CONNECTICUT — **Norwalk:** Bernard Newman has discontinued his practice at 606 West End Avenue, to accept the office of comptroller for Norwalk. **Manchester:** H. Wilbur Stevens is withdrawing from the partnership of Page, Stevens

& Hurley to practice under his own name. His offices will be at 63 East Center Street in Manchester and 791 Main Street in Willimantic. **Waterbury:** Cohen, Rydzik, Kadish & O'Bernier announce the opening of offices at 29 Field Street, succeeding Edward Cohen.

FLORIDA—**Orlando:** Robert Geller has been admitted as partner of Wittenstein, Hartman & Company, 409 Metcalf Bldg.

IDAHO—**Boise:** Ralph S. Gorton and Joseph G. Tonascia have been admitted into partnership with Middleton, Learned & Smith, 260 Sonna Building.

ILLINOIS—**Peoria:** Joseph P. DeBruyn has been admitted into partnership with Morgan, Clifton, Gunderson & Ellis, 405 Central National Bank Building.

INDIANA—**Terre Haute:** David Bar-

tram & Company and Strachan & Metzger have merged under the firm name of Strachan, Bartram, Stone & Metzger, Merchants National Bank Bldg.

LOUISIANA — **New Orleans:** Barton, Pilié, Jones & Wermuth announce that the firm name has been changed to Barton, Pilié, Hughes & Jones, 600 Carondelet Bldg.

MAINE—**Portland:** Richard F. Garland has accepted into partnership Joseph E. Stratford. Practice will continue under the firm name of Richard F. Garland & Co., 105 Preble Street.

MICHIGAN — **Lansing:** Kenneth B. Knostman and Leo E. Smith, partners in MaDan and Bailey, announce a change in the firm name to Knostman & Smith, 303 Mutual Building.

MINNESOTA—**Saint Paul:** George N. Kapetanias has established his own firm, Room 203, 1457 University Avenue.

MISSISSIPPI—**Jackson:** Ross, Ross & Weeks announce the withdrawal of John P. Weeks. T. Albert Ross and Thomas A. Ross, Jr., will continue under the firm name of Ross & Ross, 207 S. Congress Street.

NEW JERSEY—**New Brunswick:** Bernard Young announces his own practice with offices at 17 Schuyler Street. **Passaic:** Max Gottlieb & Co. and Herbert A. Satter announce the formation of a partnership under the name of Gottlieb, Satter & Co., 603 County Bank Building, 633 Main Avenue.

NEW MEXICO — **Albuquerque:** Linder, Burk and Stephenson has combined with Peat, Marwick, Mitchell & Co. under the latter firm's name with offices at 817 First National Bank Building.

NEW YORK—**New York:** Saul S. Bly has formed a partnership with William Spetalnik under the firm name of Saul S. Bly & Company with offices at 61 Broadway. . . . Byrnes & Baker announce that Daniel P. Reddy and Felix L. Ticineto have become partners, 19 Rector Street. . . . Robert S. Livingston has been admitted into partnership with Seidman &

Seidman, 80 Broad Street. . . . Bernard Waltzer, Philip D. Brent and Robert P. Hodesblatt announce the formation of B. Waltzer & Co., 12 East 46th Street.

NORTH CAROLINA — **Durham:** C. Anthony Ricca and Frank Davis Nelson announce the formation of a partnership under the name of Ricca and Nelson, 111 Corcoran Street. **Hickory:** George A. Hoffmann and Francis M. Rink announce the formation of a partnership under the name of Hoffmann and Rink, 256 Third Avenue, Northwest.

OHIO—**Cleveland:** George H. Conner and G. William Grissinger have merged under the firm name of Conner & Grissinger with offices at 811 Citizens Building.

OKLAHOMA—**Oklahoma City:** Geo. J. Heuser, John F. Ryan, Lawrence C. Jarchow and James E. Henry are now doing business as Heuser, Ryan and Company, 1212 Republic Building.

PENNSYLVANIA—**Lewistown:** Harold Cinoman has been admitted into partnership with Laventhol, Krekstein & Co., 3 North Wayne Street. **Philadelphia:** Goldsmiths' Accountants announce the continuation of their practice under the name of Adler, Faunce & Company, 1616 Walnut Street and the opening of an office in Pittsburgh in the Farmers Bank Building.

TENNESSEE—**Nashville:** McIntyre and Associates have moved to the Westmont Building, Twenty-Second Avenue and Church Street.

TEXAS—**Houston:** Paul B. Clark, Jr., and Thomas F. Scully, Jr., announce the formation of a partnership under the name of Clark & Scully with offices at 308 Old National Building.

HAWAII — **Honolulu:** Cameron, Tenent & Dunn have combined with Peat, Marwick, Mitchell & Co. under the latter firm name with offices at Bishop Trust Building. . . . Alexander Grant & Company announce the opening of offices and merger with the accounting practice of Paris and Ayres.

Applicants Recommended for Membership

The committee on admissions recommends admission of 342 applicants. They do not become members until voted upon by the Council and declared elected by the president. If protest is to be made against any applicant, it should reach the Institute on or before August 3, 1956.

ALABAMA—Birmingham: Frederick C. Deisher.

ARIZONA — Flagstaff: Francis L. Decker.

ARKANSAS—Hot Springs: Clarence W. Jordan. **Little Rock:** David Standley Fox, Cecil Alvin Smith. **North Little Rock:** J. Bryan Sims, Jr.

CALIFORNIA—Hollywood: Robert B. Breskin, Kathleen Le Rae Hoge. **Long Beach:** Halcyon Ball. **Los Angeles:** Charles Joseph Courtney, Samuel J. D'Angelo, Jack Harvey Derloshon, Irvin Ralph Ecke, Jeanne Russell Gilpin, Edward R. Hare, Oakley A. Honey, Jr., William L. McCoy, James Austin Morrison, Charles David Tweedie, Edwin Donald Young. **Oakland:** Earl George Campbell. **Pasadena:** Harry H. MacDonaugh, James A. Schlinger. **Sacramento:** Emmett E. Bledsoe. **Salinas:** Nicholas John Srsen, Jr. **San Diego:** William R. Leaf. **San Francisco:** Eugene Bartlett, Gregory George Dexter, John Wesley Griffiths, Charles J. Lee, Charles Winthrop Metcalf, Jr., Jacques Emile Nouaux, Philip A. Oertli, Charles Walter Roberts, Emmett Clayton Shelhoss. **Santa Ana:** John A. Raaberg. **Santa Rosa:** Burt W. Viesselman. **Ventura:** Ben F. Aull.

COLORADO—Colorado Springs: Clarence H. Jonson. **Denver:** Richard L. Moore, Frank A. Weber.

CONNECTICUT — Hartford: William W. Bankenstein, Andrea H. Massa.

DISTRICT OF COLUMBIA: Sidney Brotman, Lee Berry Brown, Leon Meyrowitz, Parker C. Peterman, Bruce Glueck Philipson.

FLORIDA — Jacksonville: Milo Maurice Johnson. **Miami:** John B. Manning, Richard H. Plager. **Miami Beach:** Arnold F. Wilpon. **Orlando:** William Robert

Martin. **Tampa:** Wm. Kendall Baker, Benjamin B. Hatcher.

GEORGIA—Atlanta: George Anderson Davis. **Columbus:** Ethan Frank Murray, Jr. **Macon:** Roy Ward Wyche, Jr.

ILLINOIS—Chicago: James W. Allen, William Robert Benson, Nelson C. Block, Samuel I. Brin, Jr., Phyllis Joan Burline, Robert Francis Donahue, William T. Gibbs, Fred Henry Goetz, Jr., David John Laurin, D. S. MacLeish, Leo P. Michiels, Jr., A. Thomas Rangaves, Melvin Arthur Steinberg, Merle L. Walters, Richard M. Williams, James Gregory Zalesky. **Skokie:** Edward J. Sanders. **Urbana:** Dorsey Edward Wiseman.

INDIANA — Evansville: Arthur John Wardelman. **Indianapolis:** Kenneth E. Stutler, Waldo E. Weller. **Notre Dame:** Daniel Joseph Osberger.

IOWA—Des Moines: Norman C. Gilbert.

KANSAS—Kansas City: John A. Taylor. **KENTUCKY — Lexington:** Richard V. Rhoads. **Louisville:** Andrew F. Helm, William A. Motsch, George H. Williams, Jr.

LOUISIANA — Alexandria: Clemon J. Herrington. **Baton Rouge:** Naylor Cragin. **Monroe:** Walter Julius Frank, Jr. **New Orleans:** Robert H. Jackson, Jr., Harry Nowalsky, David Paul Snodgrass, Edwin J. Wrigley, Jr.

MARYLAND — Baltimore: Donald L. Eirich, Leonard O. Gerber, Joseph P. Hamper, Jr., LeRoy James Herbert, Vernon L. Marsch, Charles Scheeler, Donald Ellsworth Webster. **Kensington:** Coy E. Moose, Jr.

MASSACHUSETTS — Boston: Melvin Allen Dyson, Lloyd Wilson Herrold, Joseph F. Naughton, William E. Sullivan. **Springfield:** John J. Sweeney. **Worcester:**

ter: Richard J. Noonan.

MICHIGAN—**Detroit**: Thurley E. Allen, Ralph E. Kandt, Mary Jean Koblinski, Charles D. Koshar, David Pett, Alan H. Roberts, Gerald E. Sauve, Lampros Vlahantones, Paul Clayton Walker, Vernon C. Watts, Calvin L. Whitbeck. **Flint**: Rudolph J. Thomas. **Grand Rapids**: John K. Campbell. **Kalamazoo**: John Grubka. **Royal Oak**: Joseph A. Broccoli, Sr. **Three Rivers**: George Georgiou. **Traverse City**: George E. Oliver.

MINNESOTA—**Duluth**: Oscar William Oase. **Minneapolis**: Irving Abraham Balto, Eugene R. Booth, V. W. Conaway, Byron S. Goldstein, Richard John Smith, Burkely Towle. **St. Paul**: A. F. Eichhorn, Harold G. Haglund, Lee N. Johnson, H. Hillard Ward.

MISSISSIPPI — **Jackson**: Raymond W. Schmidt. **Vicksburg**: David L. May. **MISSOURI**—**Kansas City**: Herbert R. Cohen. **St. Louis**: Howard D. Amick, Charles C. Christian, Lloyd Charles Dressel, Patrick J. Ducey, John J. Shults, Bill M. Spaulding. **Springfield**: James W. Meador. **University City**: Robert M. Franklin.

MONTANA — **Billings**: Lawrence M. Woods. **Bozeman**: John J. Kelly. **Great Falls**: Norman E. Sorensen.

NEW HAMPSHIRE—**Littleton**: Edwin F. Estle.

NEW JERSEY—**Asbury Park**: Robert V. Rehn. **Jersey City**: Jesse David Ross. **Newark**: William G. Fitzpatrick, Louis Gershon, Leon Hariton, Joseph L. Harris, John Edward Johnson, Alvin Kurtz, Deane V. Murphy, Donald J. Nicol, Harry Rosenthal, William Salowe, Arthur F. Wilkins. **New Brunswick**: M. James Borrelli. **Ridgefield**: Luke F. Binetti.

NEW MEXICO—**Roswell**: Charles V. Wilson.

NEW YORK—**Baldwin**: Sam B. Hoenig. **Bronx**: Rubin Kamiel. **Buffalo**: William L. Schultz. **Jamaica**: Paul Hyman. **Kew Gardens**: Paul Sage. **New York**: Benjamin P. Acker, Ernest Adler, Gerald Berg, Albert L. Bisselle, Arnold Harold Braver, John Barry Brown, Leonard S. Brown, Reuben Buksbaum, Arthur

Bushkin, James G. Carroll, Vincent J. Del Vecchia, Leonard S. Dlasnow, Charles Federman, Sebastian Joseph Frascella, S. Robert Gordon, Robert M. Gray, Nelson Jerome Greenberg, Jerome Joseph Hayes, Walter Francis Isaacson, C. Paul Jannis, Harold Karun, Ralph Kaset, Max Nelson, Max Kirschbaum, Herman I. Lempel, Edgar A. Little, Donald Jerome Lowitt, David Clifford Marx, Lloyd William McChesney, William A. Mitchell, Thomas C. Moarn, Marvin Nelson, Robert Howard Pearlman, Richard S. Perman, Nathan A. Polan, Paul J. Rossi, Alvin Segal, Leonard Sobelman, Robert H. Souther, W. A. Stimpson, John W. Tacner, Sidney Wasser, Alfred M. Wertheim, Ira Marvin Zalbe, George Zrake. **West Hempstead**: Harvey L. Gottlieb. **White Plains**: Peter Thomas Manos.

NORTH CAROLINA — **Charlotte**: Charles L. Ezell, III. **Durham**: William Hoyle Mitchell. **Elon College**: William Turman Reece. **Greensboro**: Sterling L. Hudson, O. F. Marvin. **Raleigh**: Kenneth C. Batchelor, Kenneth Fredrick Winton. **Winston-Salem**: David Lee Bodenhamer, Ernest L. Rodrigue.

NORTH DAKOTA — **Fargo**: Adam Thiel.

OHIO—**Akron**: W. A. Flickinger. **Bowling Green**: Irving M. Bonawitz. **Cincinnati**: William Sargent Easton. **Cleveland**: D. L. Arnold, Jr., Roy C. Holzman, Jr., Richard A. Welker. **Columbus**: Harry C. Lyle, Warren G. Riggs, William B. Trego, Russell N. Young. **Dayton**: William Whitley Darner, William A. Enouen, John Maurice Gogle, Kenneth J. McCormick. **Hamilton**: Donald Mack Hall. **Salem**: Robert D. Barr. **Toledo**: Frank H. Kettle. **Warren**: Harry G. Engster.

OKLAHOMA — **Oklahoma City**: R. Boze Cooper, A. Dean Cutsinger, Joe P. McCloud. **Shawnee**: Don E. Cook, Drew Finley, Jr. **Tulsa**: R. Paul Cecil, John W. Hooker, James O. Tuttle, Jr. **Weatherford**: Harvey Miller Richert.

OREGON — **Portland**: Sidney Lakefish, John R. McClure, Clifford T. Stewart.

PENNSYLVANIA—**Butler**: Lawrence J. Chamberlain, II. **Meadville**: Robert V. Moffit. **Oil City**: William R. Dickson.

Philadelphia: George Lewis Bernstein, Frank Philip Chemery, Leonard Ayers Colavita, Thomas J. Edwards, Robert W. Emsley, Robert LeRoy Fuller, Earl W. Garrison, Maurice Hershman, Allston Jenkins, M. Howard Pierce, Harry M. Schack, James S. Smith, Stephen Timko, Leonard V. Wesolowski. **Pittsburgh:** Herbert V. Frayer, Andrew Hritzko, Lawrence J. Hufnagel, Isador Henry Kantrowitz, Otto F. Kellman, Alexander J. Schreib, Jr., Robert Mack Wardrop. **Washington:** Joseph W. Lesnock.

RHODE ISLAND—Providence: Walter S. Brosseau.

SOUTH CAROLINA—Columbia: Fred H. Gantt, Morris W. Phillips, Jr.

TENNESSEE — Chattanooga: Ruth P. Claytor. **Knoxville:** John C. Powell. **Memphis:** George William Haynes, James Randolph Salter.

TEXAS — Abilene: Lloyd Glynn Ray. **Austin:** Herbert Hoes, Jesse E. Silvers, Jr. **Brownwood:** Harvey L. Smith. **Corpus Christi:** Francis S. Dubois. **Dallas:** W. B. Dempsey, Bobby F. Dunn, Charlie Gill, Jr., Eugene L. Jeffers, Simon Lichenstein, G. A. Wehring. **El Paso:** Paul J. Ellenburg, Jack Moss Rogers. **Ft. Sam Houston:** Leonard H. Greess. **Houston:** Gilmer C. Markwardt, Leland C. Pickens,

Edgar G. Saper, Bernard C. Zender. **Huntsville:** Talmage R. Whiteside. **Irv- ing:** John J. Perkins. **Longview:** Wil- liam E. McReynolds. **San Antonio:** Jesse G. Edwards, Grant D. Mendenhall. **Texarkana:** Troy A. Womack. **UTAH — Salt Lake City:** E. Morton Hill.

VERMONT—Norwich: F. Ray Adams. **VIRGINIA—Danville:** Loyd R. Harvey, Lee R. Manning.

WASHINGTON—Kennewick: Howard C. Baker. **Seattle:** Stanley G. Bowen, Walter H. Henson, Harry C. Slack. **Spokane:** Joseph B. Olson. **Sunnyside:** John W. Omta. **Tacoma:** Margaret F. Smith. **Wenatchee:** Stephen R. Weist.

WEST VIRGINIA — Charleston: Jack E. Moxley. **Wheeling:** Allen Dare Pea- body.

WISCONSIN—Madison: Rockne George Flowers, Daniel L. Jacobson. **Milwaukee:** Frederick E. Andersen, Philip F. Scallon, Ben D. Sisson. **Wausau:** Leonard H. Del- lenbach.

HAWAII — Honolulu: James Masao Araki, V. Rex Clay, John Lloyd Hill, Jr., Richard T. Okubo, Hideo Uto. **Kahu- lui, Maui:** William G. N. Wong.

PUERTO RICO—Santurce: Juan Rios Duchesne.

CANADA—London: Joseph Unger.

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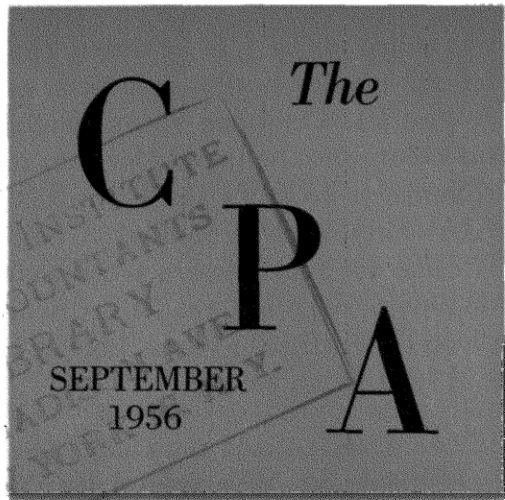
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IN THIS ISSUE:

*Executive
Committee
Proposes
Comprehensive
Statement of
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Principles (p. 6)*



News Notes of the Month

LEGISLATION permitting tax deferment on funds set aside for *pensions for the self-employed* will again be sought in the next Congress by the Institute and other professional organizations. To start the campaign, President Zebley has written all AIA members pointing out the need for removing the present tax inequity imposed on the self-employed. He asked members to explain the problem to Congressional candidates and obtain their support.

Easier change to natural business year has been asked of Internal Revenue Service in a letter from Leslie Mills, chairman of AIA subcommittee on tax administration. At the same time, a similar request was made to the Treasury by Thomas J. Green, chairman of AIA natural business year committee. The two chairmen also requested review of pending application backlog and recognition of natural business year as valid reason for changing fiscal year.

A fundamentally revised tax law, "with a minimum of special provisions and a maximum of certainty and simplicity,"

was called for by J. S. Seidman, chairman of the Institute's federal tax committee, at a press conference in New York August 21. Outlining recommendations approved by the tax committee, he urged Congress to appoint a nonpartisan commission to study the entire tax structure and pledged AIA's aid to such a commission. Said Mr. Seidman: "There is cause for real concern when taxes affect—and at times dominate—where a man lives, when he marries, how he divorces, whether he works, how he invests, where, to whom, and how much he sells."

Two Congressional tax study groups have been offered assistance by AIA's federal tax committee. The groups, engaged in tax studies requested by Congress shortly before adjourning, are the staffs of: (1) the Joint Committee on Internal Revenue Taxation (chairman: Sen. Harry F. Byrd); and (2) the Ways and Means Subcommittee on Internal Revenue Taxation (chairman: Rep. Wilbur D. Mills). The AIA committee expects to submit specific recommendations, and, in addition, will furnish the Mills group with a list of provisions in the new regulations which the committee feels do not conform to the Code.

The American Institute has queried the Federal Home Loan Bank Board on possible effects of its recent decision permitting insured savings and loan associations to substitute *approved internal audit programs* for audits by independent accountants or federal examiners. Verne C. Bonesteel, director of the Board's Division of Examinations, replied that no reduction in audits by independent accountants is expected and that the Board will continue to encourage their use.

A new pamphlet from the Surety Association of America reminds businessmen that audits by independent public accountants are one of the three safeguards against fraud, along with effective internal control and fidelity coverage. *How Much Honesty Insurance?* with a foreword by AIA

President Zebley, offers a formula for measuring how much fidelity coverage is necessary. For copies, write SAA, 60 John St., N.Y.C. 36.

Two highly important issues face Council at its September meeting. A statement of policy and pattern bill, designed as guides for *laws regulating public accountancy*, are being submitted to Council by AIA's committee on state legislation. If Council adopts the policy statement, the pattern bill will be released to state societies in time for the next sessions of state legislatures. Council will also consider resubmitting to the membership the *proposed name change of AIA* to the American Institute of Certified Public Accountants.

Presidents of two large West Coast industrial corporations, William M. Allen of Boeing Airplane Company and J. P. Weyerhaeuser, Jr., of Weyerhaeuser Timber Company, are chief speakers at AIA's 69th annual meeting (Sept. 23-27, Olympic Hotel, Seattle, Wash.).

English accountants are evincing interest in their American colleagues' public relations activities. Excerpts from AIA's pamphlet, *The General Recognition of Accountancy as a Profession*, have been reprinted in *The Accountant*, the weekly organ for Britain's chartered accountants.



At AIA tax committee press conference are (l. to r.): John P. Goedert, Wallace M. Jensen, committee chairman J. S. Seidman, and Leslie Mills.



from the

Executive Director's Desk

THE scope of professional accounting services by CPAs has been expanding rapidly. Auditing continues to be of major importance, but taxation, system work, and special services, including business and financial advice, constitute a significant proportion of the activities of many accounting firms.

The increasing complexity of business operations results in demands for new types of accounting service and imposes ever heavier responsibilities on CPAs.

It seems clear that those who are to practice accounting successfully in the future must have a broad knowledge of business, an understanding of the social environment, facility in written and oral communication, awareness of human relations, analytical ability, sound judgment—and all this on top of a high degree of intellectual capacity, technical skills, and unquestionable integrity, which have always been required.

In these times of intense competition for the best brains, how is the accounting profession to attract, train, and test enough qualified young men and women to meet the growing needs?

Existing educational facilities and present standards for

the CPA certificate in most states are generally not adequate to meet the future requirements of the profession.

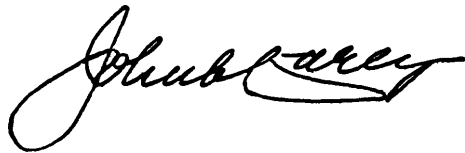
The problem is one of immediate, practical interest to all practicing CPAs. It calls for early action.

The report of the Commission on Standards of Education and Experience for Certified Public Accountants provides the first authoritative and comprehensive discussion of this problem in broad perspective.

Every CPA interested in the future of his profession should read the full report. It is fascinating and exciting reading. The brief summary sent to all Institute members omits the factual data and reasoning which lead up to the recommendations—and this background material may be as useful as the final conclusions. The full report can be ordered from the University of Michigan Press, Ann Arbor, Michigan, at \$2.50 a copy.

In the coming months every state society and chapter should devote a meeting to this report. The opinions and suggestions of members should be transmitted to the Institute for study. It is hoped that the American Association of Collegiate Schools of Business, the American Accounting Association, the Association of CPA Examiners, and the Council of the American Institute of Accountants will also express their views.

Only by such widespread study and discussion can a program of action be developed which will have the energetic support of the whole profession. And only by concerted action can CPAs avoid being handicapped in their own progress by a lack of qualified personnel.

A handwritten signature in cursive script, reading "Hub Carey". The signature is written in black ink and is positioned in the lower right quadrant of the page.

**Executive Committee
Proposes Comprehensive
Statement of
Accounting Principles**

Preparation of a comprehensive statement of accounting principles was suggested by the executive committee at a meeting July 11-12, after extensive discussion of the accomplishments of the accounting procedure committee and the research department.

The committee gave full recognition to the value of the work already carried out toward narrowing the areas of divergence in accounting practice through treatment of specific problems in Accounting Research Bulletins. However, the question was raised whether the time had not come to attempt a comprehensive statement of accounting principles, including those that have been established in this way, as a general guide to be applied to specific problems as they arise.

The accounting procedure committee was established in its present form in 1938, when published corporate financial statements had been subjected to sharp criticism in Congressional investigations, and the Securities and Exchange Commission had been created with legal authority to prescribe methods of accounting for companies selling securities

to the public. From the beginning, however, the Commission (whose first chief accountant was the present AIA Research Director Carman G. Blough) recognized the dangers of attempting to fit accounting into a rigid mold, and has generally relied on the ability and responsibility of the accounting profession to adapt basic principles to the changing needs of a dynamic economy.

Under these circumstances, the accounting procedure committee from its inception felt it necessary to deal with specific problems on which authoritative guidance was most needed, with the stated objective "to narrow areas of difference and inconsistency in accounting practices, and to further the development and recognition of generally accepted accounting principles." As explained in Accounting Research Bulletin No. 43, *Restatement and Revision of Accounting Research Bulletins* (1953), "in this endeavor, the committee has considered the interpretation and application of such principles as appeared to be pertinent to particular accounting problems."

The committee has therefore devoted itself to consideration of subjects suggested by committee members, members of the Institute, or the research department. Forty-two Accounting Research Bulletins were issued prior to 1953, and these were consolidated in the *Restatement and Revision* that year. Four additional

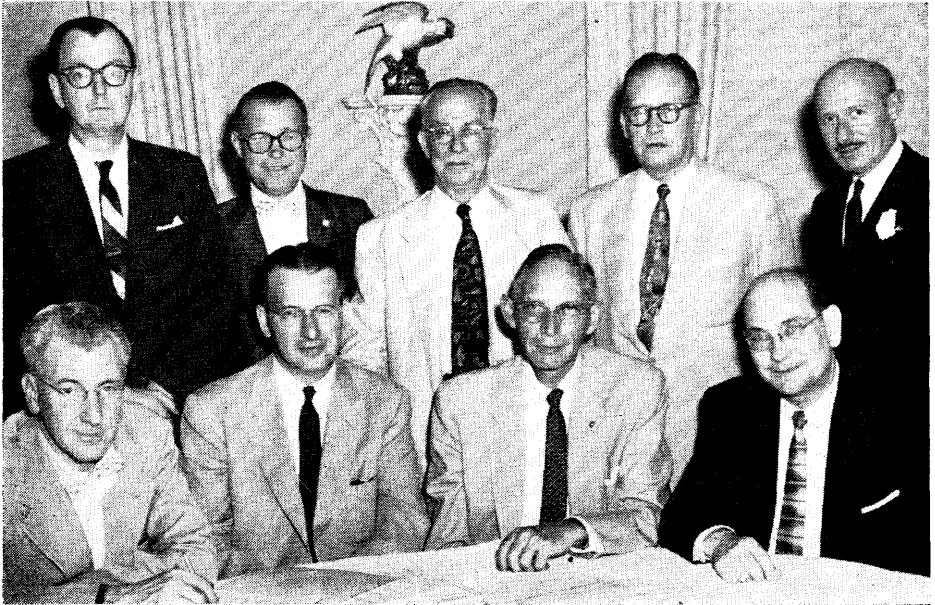
bulletins have since been promulgated.

Accounting Research Bulletins have been accepted by the profession, the SEC, and corporate managements as authoritative statements of generally accepted accounting principles. But while these bulletins cover the major areas which have been subjects of controversy in the past twenty years, the committee has not attempted to present a complete guide to the whole field.

The suggestion of the executive

committee is that the profession has now reached a position of maturity which makes it appropriate to examine the feasibility of preparing a comprehensive statement to include all generally accepted accounting principles. Additional staff may be employed if needed to assist in this task.

It was also recommended that means should be developed to give the membership of the Institute information about problems under discussion by the accounting procedure



Executive committee and committee chairmen of the Association of CPA Examiners at their midyear meeting in St. Louis, Mo. Seated l. to r. are: D. P. Williams, W. H. Holm, R. L. Persinger, J. Earl Pedelahore. Standing, S. P. Garner, L. C. J. Yeager, A. F. Stewart, W. K. Simpson, and P. K. Seidman. Annual meeting of the Association is scheduled for Sept. 23-24 at Seattle's Washington Athletic Club.

committee. Recognizing that there are difficulties in public presentation of detailed pros and cons of controversial issues while they are under discussion, the executive committee requested the accounting procedure committee and research department to study the problem of wider exposure and submit recommendations.

The discussion of the research department and committees served by it were part of a general review of Institute policies and procedures by the executive committee which is expected to extend over two or three years. Prior to the July meeting, a detailed report of the activities of the research department and the committees which it serves was presented by Research Director Blough and received with approval.

Professional Notes

New AWSCPA Officers. The American Woman's Society of CPAs has elected the following slate of officers to serve for the year 1956-57: president, Elizabeth Sterling of Atlanta, Ga.; vice presidents, Lee Ella Costello of Houston, Texas, and Mary J. McCann of Kansas City, Mo.; secretary, Katherine E. Pfeifer of Cleveland, Ohio; treasurer, Gert-rude Norman of Los Angeles, Calif.

Tax Season Campaign. AIA's annual drive to disseminate tax infor-

mation rolls up bigger totals each year. In 1956, radio spot tax hints were on the air over 50,000 times; TV spots 13,000 times (a 50 per cent increase over 1955). And the AIA film, "Helping the Taxpayer," released last year, has been seen to date by nearly 80 million. Materials used in the tax season program were prepared in cooperation with IRS, distributed usually by state societies.

AIA Insurance Plan. A 35 per cent refund in the amount of \$621,560.35 was distributed last month to the 2,385 accounting firms participating in AIA's Insurance Trust. Net cost of this life and accidental death and dismemberment insurance was 76¢ per \$1,000 per month, which continues last year's record low net cost.

The Institute is now working out details to extend its insurance plan to sole practitioners and to Ohio members.

New Accounting Bulletins. Accounting Research Bulletin No. 47, *Accounting for Pension Plans*, has been sent to AIA members. Also being mailed: Accounting Terminology Bulletin No. 3, which reviews "book value." Additional copies are available at 25¢ each.

Questions for Tax Panel. AIA members who have encountered perplexing tax questions are invited to submit them for discussion at the tax panel session of this year's annual meeting. The session, scheduled for the morning of Thursday,

Sept. 27, is composed of former Institute tax committee chairmen J. A. Phillips, Maurice Austin, Mark E. Richardson, and Thomas J. Green; present tax committee chairman J. S. Seidman will preside. Questions should be sent to AIA's tax department.

Dates for Committee Days. AIA's committees will meet Nov. 28—Dec. 1 at the Palmer House in Chicago.

Committee days have previously been held in March, but the executive committee recently decided to advance the dates to avoid conflict with the tax season and to permit earlier discussion of committee activities for the year.

Members in the News. Samuel D. Leidesdorf, founder of the firm bearing his name, has been appointed by New York's Governor Harriman to serve on the State Business Advisory Council . . . Robert L. Dickson, vice president-controller of Walter Kidde & Company, has been named a vice president of the Controllershship Foundation, Inc., research arm of the Controllars Institute . . . Wallace M. Jensen, partner in Touche, Niven, Bailey & Smart, has been elected president of the Better Business Bureau of Detroit . . . Arthur M. Cannon, co-editor of *The Journal's* "What to Read" column, has been elected vice president and treasurer of Standard Insurance Company of Portland, Oregon. He leaves his post

as professor of accounting and finance at the University of Washington.

Obituaries

MURRAY L. ALTERMAN (AIA '44), 57, Alterman and Margolis, Philadelphia, Pa. On July 7.

DONALD ARTHUR (AIA '09), 79, Price Waterhouse & Co., New York, N. Y. On August 2.

LEWIS ASHMAN (AIA '16), 67, Lewis Ashman & Co., Chicago, Ill. On July 23.

ROBERT D. BORLAND (AIA '45), 54, Art Gravure Corporation of Ohio, Cleveland, Ohio. On July 25.

RICHARD H. BROWNE (AIA '21), 73, Saddle River, N. J. On June 16.

ENRIQUE CAGUIAT (AIA '36), 63, Enrique Caguiat & Co., Manila, Philippines. On August 19.

EINAR C. CHRISTENSEN (AIA '24), 66, Price Waterhouse & Co., New York, N. Y. On July 5.

HARRY C. DAVIS (AIA '43), 65, W. P. Chrysler Building Corp., New York, N. Y. On July 17.

THOMAS C. FERRIS (AIA '34), 76, Douglas Wilson, Ferris & Co., Great Falls, Mont. On June 28.

RAY H. GRIFFIN (AIA '51), 64, Clarksburg, W. Va. On July 31.

HOWARD J. KASIK (AIA '53), 32, Berwyn, Ill. In June.

J. A. KINCAID (AIA '45), 46, Williams-McWilliams Industries, Inc., New Orleans, La. On July 10.

RAYMOND F. LINEHAN (AIA '26), Evanston, Ill. On June 20.

WILLIAM H. MARKEY, JR. (AIA '44), 46, The Catholic Hospital Association of the United States and Canada, Saint Louis, Mo. On June 30.

HENRY S. McCAFFREY (AIA '26), 62,

Philadelphia, Pa. On May 22.

EDWARD MCGUIRE (AIA '46), 47, Arthur Young & Company, Toledo, Ohio. On August 7.

E. H. NIEMEYER (AIA '46), 61, Ernst & Ernst, Kansas City, Mo. On July 3.

HENRY G. NILSSON (AIA '47), 63, Trenton, N. J. On July 27.

EUGENE E. ORMSTEN (AIA '42), 58, Valley Stream, N. Y. On April 7.

JAMES W. PALMER (AIA '45), 51, Renton, Wash. On August 2.

PERCY W. POGSON (AIA '37), 79, Pogson, Peloubet & Co., New York, N. Y. On August 1.

W. H. RANKIN (AIA '22), 72, Houston, Tex. On June 27.

JOHN J. REIGHARD (AIA '22), 65, Minneapolis, Minn. On July 14.

T. A. ROSS (AIA '53), 63, Ross & Ross, Jackson, Miss. On June 8.

JONAS ROTH (AIA '37), 72, Jonas Roth & Co., New York, N. Y. On August 6.

HOWARD A. SCHNEFFE (AIA '34), 57, Schnepfe & Co., Baltimore, Md. On August 6.

JOSEPH L. SHIELDS (AIA '48), 58, Chicago, Ill. On December 7, 1955.

FRANK M. SPEAKMAN (AIA '13), Philadelphia. On August 2.

NORMAN E. WEBSTER, a former Institute vice president, died on July 15 at the age of 87. A senior partner and founder of the accounting firm of Webster, Horne & Elsdon, he did much research in accounting history, wrote a study published by the AIA in 1954 on the Institute's predecessor organization, the American Association of Public Accountants.

Firm Announcements

ALABAMA—*Birmingham*: W. M. Whiteside, Jr., and Estella H. Mercer announce the formation of a partnership under the name of Whiteside and Mercer at 444-45 Brown-Marx Building. *Montgomery*: Frank B. Hill, Jr., and William L. Flurry announce the formation of a partnership under the name of Hill & Flurry at 401-405 Bell Building.

CALIFORNIA—*Alameda*: Serge Benjamin

Kordash has moved to Room 2, Bank of America Building, 2411 Santa Clara Ave. *Los Angeles*: Stanley S. Adler and W. W. Rarity announce the formation of a partnership under the name of Adler and Rarity at 1234 North La Brea Ave. . . . Alexander Grant & Company has moved to 548 South Spring Street . . . Jerome Kardell, Robert B. Roskowitz, and Albert B. Silverman announce the change of their firm name from Jerome Kardell & Co. to Kardell, Roskowitz & Silverman at 740 North La Brea Ave. . . . Herman C. Smith, Jr., and Henry H. Helms announce the formation of a partnership under the name of Smith and Helms at 215 West 7th Street. *Pasadena*: Harry H. MacDonaugh and Richard C. Soll have been admitted into partnership with Pyle, Lance & Schlinger (office also at Whittier). *San Diego*: George F. Meitner and Richard W. Smith announce the formation of a partnership under the name of Meitner and Smith at Suite 303, United States National Bank Bldg. *San Francisco*: Arthur Young & Company announces the consolidation of their two offices into one office at 120 Montgomery Street, 9th floor. *San Luis Obispo*: Scholefield & Co. and Graham S. Lund announce the merging of their practices under the name of Scholefield & Co. Harvey V. Guttry has been admitted as resident partner. (Offices also at Los Angeles and Santa Barbara.) *Ventura*: Meenan & Higgins have changed their name to Higgins and Meenan. Their box number is changed to P.O. Box 3215. **COLORADO**—*Colorado Springs*: John A. Bailey has been admitted into partnership with Trichak & Trainor at Alta Vista Hotel. *Denver*: Sidney Milzer has withdrawn as a partner from Butler, Milzer and Munishor. The firm will continue under the name of Butler and Munishor at 2011 Glenarm Place.

FLORIDA—*Daytona Beach*: Hogle and Vogt have moved to first floor, 236 North Ridgewood Ave. *Miami Beach*: George W. Hirsch and Stewart L. Kohn announce the formation of a partnership under the name of Hirsch and Kohn at 1218-20 Washington Ave. *Naples*: Alfred J. Hackney, successor to Bogue and Moss,

announces the continuance of the practice at 5 Beach Patio. *Pensacola*: Davis & Lundy announce that the firm name has been changed to Davis, Lundy & Minnich, and the offices have been moved to 213 South Baylen St.

ILLINOIS—*Chicago*: Victor Greenwald has been admitted into partnership with Greenwald and Hand at Board of Trade Bldg. . . . Gordon L. Murray and Charles F. Lemons have been admitted as members of the firm of Haskins & Sells . . . Harvey R. Kallick has established his own practice at 5685 North Lincoln Ave. . . . Young Schultz & Co. has changed its firm name to Young Schulz and Chez, State-Madison Bldg. at 22 West Madison St. *Des Plaines*: S. K. Webster announces the opening of an office at 680 Lee St.

INDIANA—*Anderson*: Charles A. Chastain has formed a partnership with Donald C. Faris under the firm name of Chastain and Faris at 420 West Eleventh St. *Muncie*: Mary W. Augburn and Perry S. Mansfield announce the formation of a partnership under the name of Augburn, Mansfield & Company at 2720 W. Jackson St.

IOWA—*Davenport*: Earl W. Druehl, Eugene F. McAllister, and Sheldon S. Sitrick announce the formation of a firm under the name of Druehl, McAllister and Sitrick (formerly J. W. North and Co.) at 828 Davenport Bank Bldg.

KANSAS—*Topeka*: C. R. Cox and M. E. Yadon have been admitted as partners in Paxson and Richel at 508 Columbian Bldg. *Wichita*: Bonicamp, Koelling & Smith have moved to Suite 901, Union Center Bldg. . . . Cory, Webster & Smith announce the withdrawal from partnership of B. L. Smith and the admission into general partnership of A. Lynn Lawrence. They will practice under the name of Cory, Webster & Lawrence at Suite 404, Koch Bldg. (Office also in Petroleum Bldg., El Dorado.)

KENTUCKY—*Lexington*: Harold G. Snider and Marshall H. Shouse have formed a partnership under the name of Snider & Shouse at 321 Citizens Union Bank Bldg. *Louisville*: Bernard J. Luker, Richard D. Riney, Edward F. Altes, Jr., William C. Talley, and El Arthur Ringo have

been admitted into partnership with Es-cott, Grogan & Company . . . Patrick H. Mitchell and U. S. Whalin announce the formation of the firm Mitchell & Whalin at 223 West Liberty St.

LOUISIANA—*New Orleans*: W. L. McIntyre announces the opening of his office and his association with J. Earl Pedelahore at 1136 National Bank of Commerce Bldg.

MARYLAND—*College Park*: Casbarian and Cousins announce the opening of an office at 7338 Baltimore Ave.

MASSACHUSETTS—*Boston*: Irving Chernoff and Alvin C. Joseph announce the formation of a partnership under the name of Chernoff & Joseph at 209 Washington St.

MICHIGAN—*Flint*: Donald H. Taylor, Jay C. Drewett, and Rudolph J. Thomas announce the formation of a partnership under the name of Taylor & Drewett at 1406 Mott Foundation Bldg.

MISSISSIPPI—*Jackson*: M. L. Kerr, Jr., has been admitted into partnership with Dick D. Quin and Company.

MISSOURI—*Kansas City*: A. Henry Cuneo, Gertrude Birmingham Cuneo, Stephen Fried, and Robert DeBord Lawson, heretofore engaged under the name of Cuneo and Company, announce the admission into partnership of Maurice A. Shay, Jr., and the adoption of the name Cuneo, Fried, Lawson, and Shay at National Fidelity Life Bldg. *St. Louis*: W. C. Ehlers and R. H. Beckmeyer announce the formation of a partnership under the name of Ehlers & Beckmeyer at 4 North Eighth St.

NEBRASKA—*Lincoln*: Philip G. Johnson, J. B. Dresselhaus, and Bernard D. Ulrich announce the formation of a partnership under the name of Philip G. Johnson & Co. at 1224 Sharp Bldg.

NEW JERSEY—*Camden*: James M. Lake has been admitted into partnership with Edmund D. Bowman & Co. at 726 Cooper St. *Plainfield*: Charles F. Rittenhouse & Company has moved to 129 Park Ave. *Newark*: The firm name of Bederson, Rosenberg & Company has been changed to Bederson, Siegel & Company at 744 Broad St. *Paterson*: Richard I. Mann has been admitted into partnership with

Simon H. Strickler & Co., 286 E. 33rd St. **NEW YORK**—*New York*: Samuel H. Haims has been admitted as general partner, Samuel Hacker & Co., and the name has been changed to Hacker, Haims & Co. at Americas Bldg., Rockefeller Center . . . Donal C. Noonan has been admitted into partnership at the New York office of Harris, Kerr, Forster & Company, which has merged with the firm Noonan & Sherman . . . Harry Naimer and Harry Stark announce the formation of a partnership under the name of Naimer & Stark at 250 West 57th St. . . . Morris Rader and Bernard I. Rader announce the formation of a partnership under the name of Rader & Rader at 565 Fifth Ave. . . . Charles S. Rockey & Co. and Charles T. Bryan & Company announce the merger of their practices under the name of Charles S. Rockey & Co. at 220 Broadway . . . Donald Arthur, Jr., has been admitted into partnership with Shields & Company at 44 Wall St. . . . Richard T. Stelter was admitted as a partner to Byrnes & Baker at 19 Rector St. . . . Theobald During has formed a partnership with William A. Cleary under the firm name of Cleary, During & Company at 26 Broadway . . . Joseph R. Coulon has been admitted as general partner in Murphy, Lanier & Quinn at 331 Madison Ave. . . . Bernard R. Cohen has formed a partnership with Leslie E. Schwartz under the firm name of Schwartz & Cohen at 15 Maiden Lane. *Schenectady*: Louis Coplon, Alfred S. Moskowitz, and John J. Flax announce the formation of a partnership under the name Coplon, Moskowitz and Flax at 20 Erie Blvd.

NORTH CAROLINA—*Charlotte*: Wilson, Hosick & Co. announce the opening of an office at 1514 Johnston Bldg.

NORTH DAKOTA—*Fargo*: Oliver A. Eide has admitted into partnership Maynard M. Helmeke. They will practice under the name of Eide & Helmeke at 805 Black Bldg.

OHIO—*Cleveland*: James W. Ritchie has been admitted into partnership with L. A. Davidson & Co. The offices have been moved to 714 Keith Bldg.

PENNSYLVANIA—*Bristol*: Daniel F. Ma-

loney announces the opening of his office at 212 Radcliff St. *Cynwyd*: Richard L. McMonigle announces the opening of an office at 273 Montgomery Ave. *Philadelphia*: William C. Trainor has been admitted as resident partner of Adler, Faunce & Company. *Reading*: Jerome A. LaManna, Robert R. Herr, F. Ferrer Wilson, and Blake H. Nicholas announce the formation of a partnership under the name of LaManna, Herr, Wilson and Nicholas at 223 North 6th St. *York*: Norman B. Kochenour, William H. Earnest, J. Henry Smyser, and Richard E. Wonik announce the formation of Kochenour, Earnest, Smyser & Wonik to continue the practice of Kochenour, Rissinger & Morris at 267 East Market St.

TENNESSEE—*Memphis*: Ralph W. Tipton has become a member of the firm of Anderson and Noel. The practice will be continued under the name Keith B. Anderson and Company at 410-413 Commerce Title Bldg. *Nashville*: D. H. Hirsberg and Jack K. Byrd announce the formation of a partnership under the name of Hirsberg and Byrd at 316-317 Exchange Bldg. . . . Osborn and Page and Price Waterhouse & Co. announce the merger of their firms under the name of Price Waterhouse & Co. without change in personnel at 2012 Broadway. (Knoxville office, Fidelity Bankers Trust Bldg.)

TEXAS—*Corpus Christi*: Frazer and Torbet and Slavik and Ponder announce the merger of their practices under the name of Frazer and Torbet at 801 Wilson Tower and 1106 Wilson Bldg. . . . W. Wayne Rasmussen announces the opening of his office at 525 Wilson Bldg. *Houston*: Homer P. Barton announces the opening of his office at 1216 Louisiana St., Suite 208. . . . W. C. Beem, Donald J. Lewis, and James H. McGee, Jr., announce the formation of the firm of Lewis, McGee & Beem at 410 West Bldg. . . . Phillips, Sheffield, Hopson & Lewis and Homer L. Luther have merged under the name of Phillips, Sheffield, Hopson, Lewis & Luther. New offices are at Bank of the Southwest Bldg. *Lubbock*: Max B. Caraway and Elwood P. Carruth dissolved partnership of Carruth and Car-

away. Mr. Caraway is practicing as sole proprietor at 1001 Great Plains Life Bldg. under the name of Max B. Caraway. *San Antonio*: Frank H. Lichtenstein and Robert S. Rosow announce that the firm of Frank H. Lichtenstein and Associates will be known as Lichtenstein and Rosow, 804 Alamo National Bldg.

VERMONT—*Brattleboro*: George M. Marrow and Robert A. Boucher announce the formation of a partnership under the name of Boucher and Marrow, 4 Elliot St.

VIRGINIA—*Norfolk*: James E. Prince has been admitted into partnership with Edmondson, LedBetter & Ballard, National Bank of Commerce Bldg. *Richmond*: J. Waddell Rison and Owen B. Picket announce the formation of a partnership under the name of J. Waddell Rison & Company at 609-611 Insurance Bldg.

Newport News: Allen C. Tanner and William T. Eggleston announce the formation of a partnership under the name of Tanner and Eggleston, 2610 West Ave.

WISCONSIN—*La Crosse*: Ash & Baptie and Richard G. Hawkins announce the merger of their firms under the name of Hawkins, Ash, Baptie & Company with offices at the Exchanges. Partners are Richard G. Hawkins, James O. Ash, and David D. Baptie.

HAWAII—*Honolulu*: N. John Pasch has become a member of the firm Young, Lamberton & Pearson at 1154 Bishop St.

Gano & Cherrington, and Griffith, Wiles & Co. have merged with Arthur Young & Company under the name of Arthur Young & Company, with offices in principal cities of the United States and Canada, and in London, Paris and Caracas.

Applicants Recommended for Membership

The committee on admissions recommends admission of 474 applicants. They do not become members until voted upon by the Council and declared elected by the president. If protest is to be made against any applicant, it should reach the Institute on or before October 12, 1956.

ALABAMA—*Birmingham*: Bobby Wayne Smith. *Decatur*: Brevard L. Gates.

ARKANSAS—*Fort Smith*: William Gordon Reynolds. *Little Rock*: John W. McGinnes. *Texarkana*: Alvin E. Burns.

CALIFORNIA—*Antioch*: Frank R. Beede. *Beverly Hills*: Ben S. Greenberg, Owen J. Ward. *Chico*: Wilma F. Otterbein. *Culver City*: Harry L. Burke. *Fresno*: Ray L. Payne, Jr., Archibald Harry Quinn. *Hollywood*: Ben Borsook, Myron C. Nolte. *La Mesa*: Claude Dooley, Jr. *Larkspur*: Peter James Wikel. *Los Angeles*: Abraham Cohen, Raymond J. Dubrowski, Orlando Theodore Gatto, William R. Granewich, David Greenfield, Charles Edward Hollister, Paul L. Kester, Tadashi Kiyomura, Richard A. Lane, George Idell Lenahan, Robert Edward McDowall, Charles Namson, C. R. Olin,

Jr., Herschel David Rich, Ethel Richmond, John B. Robb, Selma Alexandra Roks, Stanley A. Sandberg, Irvin Sterman, John W. Sutcliffe, Gerald A. Weinstein, Marvin C. White, John Rae Williamson, Samuel Smith Yngve, Seymour Zucker. *Oakland*: William Mini. *Pasadena*: William Allen Ellis, Ralph M. Wolveck. *Sacramento*: Frank Black, Yoshitsune Buddy Kuwaye. *San Diego*: Henry E. Gallant, John M. Shea. *San Francisco*: Lawrence F. Flower, Jr., Carl Bernthal Fickenschler, D. Daniel Golden, William Everett Griscom, Denis C. Harrington, Howard C. Harvey, John P. Lejardi, Frank Joseph Reilly, Leonard Rosenthal, Charles Rees Wake, Ralph E. Walters, Edward D. Wilson. *Santa Ana*: Clinton H. Flynn. *Santa Barbara*: William Alexander McBride. *Santa Maria*: N. Ray Guymon. *South Gate*: Harry

Martin Kent. *Vallejo*: Robert H. Smith.
COLORADO — *Denver*: Richard J. McManus, Robert J. Miles, Douglas L. White.

CONNECTICUT — *Middletown*: William Parkin. *New Haven*: Raymond Roger Creehan, Jr., Raymond W. Sprague, Burton L. Zempsky. *Rockville*: Robert J. Pue. *Waterbury*: John George Cichon, Walter C. Fahnstock, Elmer A. Sticco, Thomas White, Jr.

DISTRICT OF COLUMBIA — Roger Stahel Cohen, Jr., Melvin Harry Diamond, Sherman Henig, Martin L. Kamerow, Francis J. Kenney, Eugene E. Trimble.

FLORIDA — *Coral Gables*: Robert B. Bruce. *Miami*: Irving J. Bloom, Lester Fredel, John D. McNamara, Lawrence Plotkin. *Miami Beach*: Paul D. Bromberg, Maurice Lee Yalman. *Pensacola*: Theester A. Hamby, Jr.

GEORGIA—*Atlanta*: John Robert Powell, George J. Vandiver. *Douglas*: James L. Kirk. *Savannah*: Walter C. Askew III. *West Point*: Angelo Edward Novelli.

IDAHO—*Wallace*: Daniel H. Camp.

ILLINOIS—*Berwyn*: Edward R. Marek. *Bloomington*: Leslie Mekkelson. *Chicago*: Berton Joseph Barr, Ralph Richard Bellon, Irving L. Blackman, Wallace J. Cooper, John Edward Dwyer, Irwin Ehrlich, Walter H. Gutzeit, Jr., Irwin Jacobson, Stanley M. Kaylin, Ralph Mees Krueger, John F. Langdon, Harry E. Littler III, Leslie R. Lock, Edward Francis Lonergan, Walter T. Marek, Henry C. Meyer, Jr., Robert Novak, Sam Pinzur, Richard William Schmidlein, Paul E. Schneider, Sidney Marvin Stafford, Jr., Victor L. Viskas, Gordon O. Williams, William R. Zinthefer. *Freeport*: Robert Leslie Carlile.

INDIANA — *Evansville*: Walter Bassett Grogan. *Gary*: Arthur M. Kaminski. *Indianapolis*: James Edward Commons, R. Grace Hinds, Roger C. Schenk.

IOWA—*Ottumwa*: Paul V. Drish.

KANSAS — *Garden City*: C. Maynard Knief.

KENTUCKY — *Louisville*: Leland O. Steely.

LOUISIANA—*Baton Rouge*: J. Herman Brasseaux, Vonceile Baxter Patterson. *Chalmette*: Andrew H. Stephens. *New*

Orleans: Roland F. Lemoine, Jacob Frank Roth. *Shreveport*: Robert Kingsland Marquess.

MARYLAND — *Baltimore*: Richard Earle Charlton, Turner Hofmann Clift, Andrew Edward Druzgala, Donald G. Hisey. *Hagerstown*: Earl J. Smith. *Rockville*: James P. Morris, Jr.

MASSACHUSETTS—*Boston*: John Walton Dixon, David Goldfine, Arthur George Koumantzelis, Harold Levine, John J. McCafferty, James A. Miniutti, Thomas L. Raleigh, Jr. *Taunton*: Carlton A. Caron. *Worcester*: Aven S. Levenson.

MICHIGAN—*Battle Creek*: Beatrice Douglass Fiero. *Berkley*: Harlan G. Richardson. *Dearborn*: John Dearden. *Detroit*: James F. Attaway, Gerald Cervini, Edward G. Cowan, Richard E. Czarnecki, James Harold Dunbar, William E. East, Jr., Duane W. Fuller, Eldin H. Glanz, Gerard J. Grenier, Douglass A. Hoerner, Edward F. Kliber, Jr., Leonard A. Mason, John J. Murray, Thomas W. Oppat, Walter Renton Purves, Frank J. Rogers, Louis Sherman, Joseph A. Sickon, Leroy C. Theiss, Donald M. Ureel. *Flint*: P. Duane Goodnight, Robert L. Meythaler, Clifford J. Millhouse. *Grand Rapids*: Robert Oliver Burns, Donald T. Shankin. *Jackson*: LouZella Juanita Seeburger. *Lansing*: Frank M. Cherf. *Muskegon*: George Stanley Daniels. *Niles*: Richard T. Corridan. *Oak Park*: Charles L. Brockett.

MINNESOTA — *Cloquet*: John Clinton Bain. *Minneapolis*: Peter J. Gilligan.

MISSISSIPPI — *Philadelphia*: John Ray Gipson.

MISSOURI—*Clayton*: John W. Rick. *Joplin*: James H. Butler. *Kansas City*: Raleigh E. Barker, Edward F. Brodie, William S. De Jarnette, Jr., John W. Goetze, Arthur Wm. Hoffman, Jack A. Keller, Kenneth E. Miller, Jack T. Mulos. *Merberly*: Arthur E. Armstrong. *St. Louis*: Lawrence H. Schulte, John Chris Wilson. *Webb City*: Robert J. Baker.

MONTANA—*Billings*: Paul T. Kuhlman.

NEBRASKA—*Columbus*: George R. Sommermeyer. *Omaha*: Elmer W. Adams, Donald A. Cimpl.

NEVADA—*Elko*: Hayden Dewar Henderson. *Reno*: Alfred A. Barbieri.

NEW HAMPSHIRE—*Exeter*: John F. Conway. *Manchester*: Gerard F. Poirier.

NEW JERSEY—*Camden*: Lawrence N. Apple, John J. Carpinelli. *Newark*: Alfred Ralph Marsh, Robert E. Powell, Edward Rohrbach, Jr., John Stephen Williams. *New Brunswick*: Jerome H. Ouslander. *Orange*: Saul Kritzman. *Passaic*: Edward Swain Larkin. *Summit*: Edward Stuart Brill. *Union*: Seymour Best.

NEW MEXICO—*Albuquerque*: Benjamin M. Lucas.

NEW YORK—*Baldwin*: Melville Burton Wolpert. *Bay Shore*: Alfred R. Allen. *Buffalo*: John E. O'Brien. *Forest Hills*: George Jay Kaplow. *Glen Cove*: Marvin Laurence Sutton. *Hempstead*: George O. L. Dorler, William J. Ducey, Jr., Kip Homer, Robert Kranzler. *Jackson Heights*: M. Leslie Hare. *New York*: Maurice B. Abraham, James William Allen, Elsie Bekowsky, Irving J. Capp, Edward J. Collins, Peter R. Cottrell, John R. Emolo, Bernard Feder, Howard F. Feldman, Harold Finkel, Joseph Ginsburg, Philip H. Gocke, Leo Goldberg, Henry S. Gullen, William H. Harrison, Jr., Donald E. Hewins, Irving M. Hird, Frank Thomas Kleiger, Peter Kocan, Thomas Peter Lynch, James E. Lyons, Joseph Gerald Maione, Winslow Maxwell, Philip Messinger, Herbert Lloyd Michaels, James J. Poole, Fred Rudow, Israel Julius Silverman, Walter M. Stern, Benjamin F. Van Wormer, Manuel Vizcarrondo, Arthur Weissbarth, Melvin Robert Williams, Paul H. Wolfowitz, Eugene H. Wurster, Morris M. Youner. *Rochester*: William Loftis Smith, Charles Perry Wolfe. *Ticonderoga*: John H. Mulholland.

NORTH CAROLINA—*Asheville*: James Donald Williams. *Charlotte*: Josef Sklut. *Gastonia*: J. Edward Stowe. *Greensboro*: Archibald Taylor Fort. *Raleigh*: Felix E. Asby, Harry L. Keller, Walter Kenneth Lynch, Richard James Tuggle.

NORTH DAKOTA—*Fargo*: Warren B. Anderson.

OHIO—*Cleveland*: Robert Edwin Brussee, Otto A. Digel, James Edward Giltner, Yale B. Gressel, Raymond P. Jena, Israel Katz, R. Thomas Kelsey, Jr., Ralph

Fred Mahtar, Sr., William G. Morgan, Edward Lloyd Murphey, Sidney Monroe Newmark, George M. Otto. *Columbus*: Donald Robert Mac Blane, Robert G. Mason. *Dayton*: Joseph Eder. *Elyria*: Edward Firment. *Lorain*: Mitchell Zunich. *Mansfield*: Lee Chamberlain Henry, Jr. *Piqua*: Jack Dale Wilson. *Toledo*: Bernard Jaffe, Lawrence R. Sullivan. *Wickliffe*: Donald Charles Opatrny.

OKLAHOMA—*Durant*: Harold H. Earles. *Oklahoma City*: Orval L. Veirs. *Tulsa*: Donald D. Adams, Herbert F. Holden, Charles L. Parker, Dewey A. Rippy.

OREGON—*Medford*: John D. Watkins. *Portland*: B. J. Huelshoff, Robert A. Liberty.

PENNSYLVANIA—*Allentown*: Robert R. Merwin. *Altoona*: William H. Johnson. *Beaver Falls*: Charles Joseph Loll. *Bethlehem*: Winfield S. Heil. *Harrisburg*: David I. Cohen, Henry F. McKonly, Jr., Raymond J. O'Neill. *Merion*: Joseph I. Doncon. *Philadelphia*: Harry Baron, J. Floyd Bloom, John Chmytz, John Joseph De La Cour, Walter J. Dennison, Harold O. Elfand, George L. Evans, Frank L. Fitzpatrick, Joseph F. Ford, Robert Frank, Ruth S. Hanratty, Robert F. Hartman, Jr., Raymond L. Johnson, Anthony L. Lombardo, Edward J. Manning, John Stanwood Martin, George A. Miller, Jr., Sidney Miller, Paul Van Mitchell, John T. Morris, Richard W. Murphy, Harris J. Nadley, Robert N. Nathason, Edward P. Perry, George L. Simmon, Raymond F. Splane, George Tindall Steeley, Jr., Theodore P. Von Bosse, Victor Walcoff, Joseph A. Yanni. *Pittsburgh*: Ralph F. Altman, Jerry W. Barro, Michael Brespalko, Melvin M. Brooks, D. W. Christopher, Thomas G. Cleary, Charles Denovi, Merrill S. Doran, Howard Benjamin Eklund, Harry Exler, John W. Fisher, Charles V. Freed, Carl J. Fuhr, Lawrence Holbrook Hazeltine, Morris D. Henderson, Edgar W. Kimmell, Willard G. Kramer, Jr., Harry Francis Larkin, Jr., Arnold Leonard Lehman, Richard Joseph Loebig, Donald W. Meredith, John H. Mussler, Jr., Thomas James Phillis, Harold I. Schorr, Martin Byron Smith. *Reading*: H. Leon Bush, Alfred Versace. *Royers-*

ford: Merrill L. Craft, Sr. *Sunbury*: Charles Thomas Ressler. *Uniontown*: Clarence M. Scott. *University Park*: William Joseph Schrader. *Wilkes-Barre*: Mary Monica Quinn, Mary E. Ruddy. *York*: J. James Burg, Philip J. Randisi. RHODE ISLAND — *Woonsocket*: Lester Ageloff.

SOUTH CAROLINA — *Greenville*: Robert E. Unger. *Newberry*: C. Walter Summer. *Sumter*: Deuward G. F. Bultman, Jr.

TENNESSEE — *Chattanooga*: Clyde M. Cole, William R. Spencer. *Johnson City*: A. C. Nickell. *Knoxville*: Marshall N. Dennison, Jr. *Memphis*: Paul Crotteau, Marvin Lee Ratner. *Nashville*: George R. Morrison, Mark S. Richardson, Jr.

TEXAS—*Abilene*: Bill Allen Wood. *Amarillo*: Lawrence Gore Pickens. *Austin*: Robert T. Tussing. *Beeville*: James R. Millikin. *Corpus Christi*: Murray Roher, Bill G. Shotts, Arturo Vasquez. *Dallas*: Dan Dwayne Davis, Jerry L. Gibson, Allen Bentley Huckabee, Jr., Charles Mundell, John P. Reed, Ben D. Taylor. *Fort Sam Houston*: John O. Lange. *Fort Worth*: Ernest L. Ferreira, Harry T. Jarmom, Clifford A. Taylor, Jr. *Houston*: Floyd D. Aston, Ethan LeRoy Capps, Herbert Ray Clifton, Gleason W. Coleman, James B. Cosby, Ralph E. Halvorsen, Ernest A. Hoffman, Jr., Gerald Arthur Maley, Marion B. Merrill, C. J. Murphy, Jr., Robert L. Oliver, Michael G. Shoup, Harold E. Streusand, Charles

W. Tindall, Jr., Jack K. Wicker, William Fred Wright, Jr. *Kilgore*: Wendell Edwin Slayter. *Marfa*: Ray H. Barnes. *Midland*: Lewis H. Sheriff. *Texas City*: J. W. Arrington. *Tyler*: Robert Edmond Henry. *Victoria*: Rayford Lemonde Keller, John Andrew Killough, Jr.

UTAH—*Salt Lake City*: Lincoln Bell, R. W. Brems, Norman K. Jordan.

VIRGINIA—*Charlottesville*: L. G. Dulaney. *Danville*: Lee R. Manning. *Glasgow*: Charles L. Harer. *Norfolk*: Leroy T. Canoles. *Richmond*: James Padow, Joseph H. Wilkins, Jr.

WASHINGTON — *Aberdeen*: Joseph R. Schneider. *Chehalis*: Woodrow W. Holland. *Seattle*: E. W. Andrews, Jr., Delbert J. Darst, Edward M. Forhan, John J. Gerber, Jr., Robert B. Halverson, R. Gordon Harper, Wallace Mauritz Lodine, Alfred A. Middleton, Leo Sheehan. *Spokane*: Marvin C. Neel, John D. Schoedel. *Tacoma*: Albert B. Hallstrom, James R. Paulson.

WISCONSIN—*Madison*: N. T. Baillies, Russell J. Dymond, Milford A. Newman. *Milwaukee*: John E. Bailey, Charles James Gansloser, Daniel A. Merkel, William J. Potthoff, James R. Terrill. *Rhinelander*: Myron J. Kobernat. *Wausau*: Darold D. Brockhaus.

WYOMING—*Cheyenne*: Donald Edgar Morrison.

GUAM—*Agana*: Frank E. Longbottom. *Mexico*: George G. Veily.

THE CERTIFIED PUBLIC ACCOUNTANT

membership bulletin of

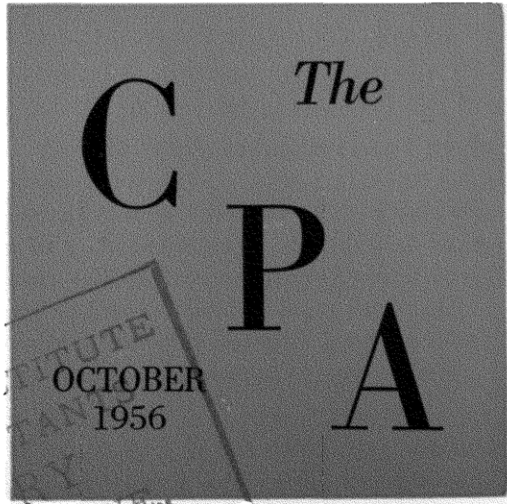
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IN THIS ISSUE:

*American
Institute of
Accountants
1956
Annual Meeting*



News Notes of the Month

ON RECOMMENDATION of the Institute's executive committee and Council, members present at the annual meeting in Seattle voted to re-submit to the entire membership for mail ballot the *proposal to change the AIA name* to The American Institute of Certified Public Accountants. Proposal was approved last year by a substantial majority but not the necessary two-thirds of those voting (see p. 6).

AIA officers for 1956-57 elected at the annual meeting were: president—Marquis G. Eaton (Tex.); vice-presidents—William S. Deeming (Ill.); Louis H. Penney (Calif.); Donald P. Perry (Mass.); R. Warner Ring (Fla.); treasurer—John B. Inglis (N.Y.). Twenty-nine new members were elected to AIA Council (see p. 11).

Affirming a lower court decision which resulted from retrial of the *Agran* case, the Superior Court of Los Angeles County held on Sept. 20, 1956, that the Treasury Department "may not confer upon persons who are not members of the bar authority to perform services within a state, which un-

der its laws constitute the practice of law in violation of that state's laws." The decision is being studied by the Institute and the California Society of CPAs. It will be published in full in the November *Journal*.

In line with its decision of last spring, Council has authorized distribution to state societies of a draft of a bill of the regulatory type prepared by the committee on state legislation and legal counsel. The bill was not endorsed in detail; instead, Council adopted a statement of policy incorporating the principles embodied in the bill (see p. 10).

Recommendations for 262 *changes in income tax law* have been submitted to the Congressional Joint Committee on Internal Revenue Taxation by AIA's federal tax committee. The Institute committee particularly noted need for: (1) an income averaging plan; (2) option permitting closely held corporations to be taxed as partnerships; (3) further legislation—such as re-enactment in modified form of the repealed estimated expense and prepaid income provisions of the 1954 Code—to bring tax accounting into closer conformity with accounting for general financial purposes. The recommendations were also sent to the Treasury. Copies of pamphlet containing full text of the recommendations are available from AIA on request.

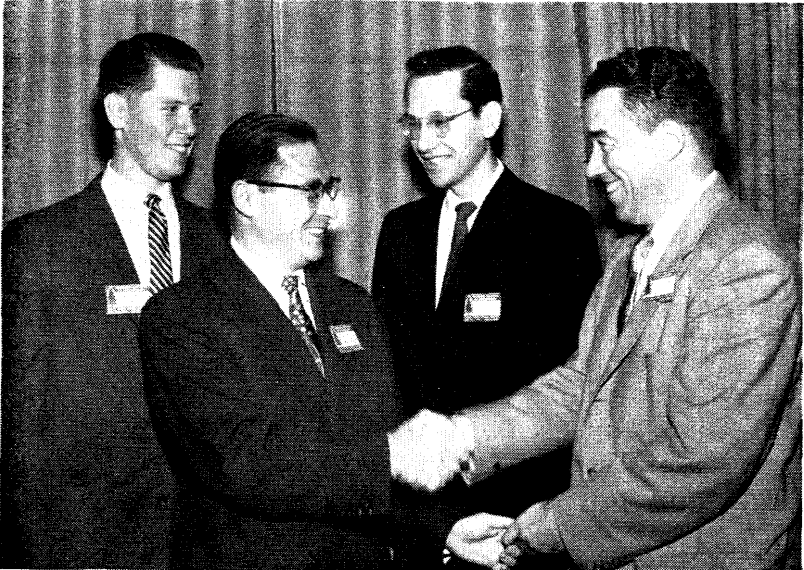
A comprehensive review of the North Carolina Revenue Act has been completed by an advisory committee on governmental affairs of the North Carolina Association of CPAs under the chairmanship of O. N. Hutchinson. The committee has sent its recommendations for change to a state commission which had sought the Association's help.

William H. Holm (Ore.) was elected president of the *Association of CPA Examiners* at its 49th annual meeting in Seattle, Wash., in September. Elected first and second vice

presidents: J. Earl Pedelahore (La.), Ralph S. Johns (Ill.).
D. P. Williams (Mo.) was re-named secretary-treasurer.

***Professional Ethics of Certified Public Accountants*, a completely rewritten and expanded edition of the book by John L. Carey, will be published in late November. It is described as a manual of reference to ethical questions already decided and "a stimulus to creative thinking about questions which have not been fully answered." (\$4 cloth; \$3 paper.)**

Total *Institute membership* at the close of fiscal year on Aug. 31 was 27,850. It was 26,345 a year before. In addition, 1,029 applications were in process, because of delay in publication of names, as compared with 575 on Aug. 31, 1955.



Louis M. Kessler (r.), chairman of the Board of Examiners, with three Sells award winners (l. to r.): Barton C. Burns, Sherwyn L. Ehrlich, and Richard S. Simons, Jr. Awards were presented at AIA annual meeting (see p. 11).



from the

Executive Director's Desk

THE most serious problems to confront CPAs in the next few months may be in the area of accountancy legislation. In states where "regulatory" legislation has existed for some time, but substantial numbers of unlicensed accountants or bookkeepers are offering their services to the public, there are likely to be attempts to reopen the registration of "public accountants" for the benefit of these unlicensed persons.

In some states where "permissive" legislation exists there may be efforts to create a permanent and continuing class of licensed public accountants, side by side with CPAs, as has been done in several states.

It is most important to the orderly progress of the accounting profession and the raising of its standards that all such endeavors be decisively defeated. This can be done if each individual CPA will take an active part. But if an indifferent membership leaves the entire responsibility to officers, committees, and staffs of the professional societies, the results may be unfortunate.

Every Institute member should do these things now:

1. Ascertain from his state society whether undesirable legislation is expected and the society's position.
- 2: Talk with (or at least write to) his state legislators and friends with political influence, asking them to oppose such legislation.

There are only a few propositions to be made clear:

a. CPAs have no desire to curtail the right of other accountants to continue to make a living in the same way they have been doing under existing state laws.

b. CPAs do not have, nor do they seek, a "closed shop." Anyone may become a CPA who can meet the same requirements that present CPAs have met. The number of CPAs has almost tripled since 1940.

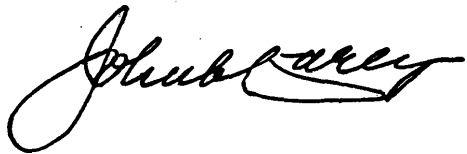
c. It is not in the public interest to grant titles indicating professional competence and responsibility to persons who have not demonstrated these qualities. (Of course, if regulatory legislation is sponsored by CPAs in "permissive" states where public accountants are now legally practicing, they must be authorized to continue such practice under the title they have been permitted to use.)

d. It would be confusing and misleading to the public to create two permanent and continuing classes of professional accountants (CPAs and public accountants), both licensed to do the same work but under different standards.

The Council of the Institute in September 1956 adopted a long-range legislative policy which is clearly in the public interest and is wholly fair to all concerned. (The Council's statement is reprinted on p. 10 of this bulletin.)

The Institute is prepared actively to assist any state society in defeating undesirable legislation or in supporting legislation designed to raise standards.

If every CPA will co-operate to the extent necessary in his own state, the profession's basic legislative problems may be settled in an orderly manner. This would make it less difficult to raise educational standards and to improve the quality of public accounting service everywhere.

A handwritten signature in black ink, appearing to read "John Carey". The signature is written in a cursive style with a large, looping initial "J" and a long, sweeping underline.

**AMERICAN
INSTITUTE OF
ACCOUNTANTS
1956
ANNUAL MEETING**

STATE legislation, change of name, pensions for the self-employed and program for next year's meeting were the principal subjects on which action was taken by the executive committee, the Council and the membership meeting in Seattle from September 21 to 27.

After nearly a decade in which the official position of the American Institute on "permissive" vs. "regulatory" state accountancy legislation had been neutral, Council voted last spring to accept the recommendations of the committee on state legislation and the executive committee for adoption of a policy favoring the regulatory type.

At the Seattle meeting, Council authorized distribution of a draft of a regulatory bill prepared by the state legislation committee and legal counsel. Recognizing that the bill may need modification to meet local conditions, Council did not endorse the language of the bill in detail, but adopted a general statement of pol-

icy covering the principles embodied in the bill (see p. 10).

Council also authorized the president of the Institute to make available to state societies the services of staff, legal and public relations counsel, and to make expenditures "to assist the state societies of certified public accountants in upholding the standards of the accountancy profession embodied in the accountancy legislation of the several states, and consistent with the policy of the Institute."

By a very substantial majority, Council voted that the proposal to change the AIA name to American Institute of Certified Public Accountants be submitted again to the membership. In turn, the members present at the business meeting on September 25 voted to resubmit the proposal to the full membership for mail ballot. (Reasons for the change, which failed by a comparatively small margin last year to win the necessary two-thirds majority, were outlined in the July-August *CPA*.)

A RESOLUTION endorsing the principles of the Jenkins-Keogh bills on pensions for the self-employed as "an urgently needed measure of tax justice" was passed unanimously by the members present at the annual business meeting. Copies of the resolution will be sent to each member of the Senate and every candidate for election to Congress.

Council accepted the recommen-

dation of the executive committee that as an experiment technical sessions be eliminated from the annual meeting which will be held in New Orleans in 1957. This will make it unnecessary to hold simultaneous sessions. Instead, there will be papers on subjects of more general interest.

Among the sessions at this year's meeting which aroused the greatest interest was a discussion of "Co-operation between the Legal and Accounting Professions" at which the speakers were William J. Jameson, chairman of the committee on professional relations, American Bar Association, and John W. Queenan,



Mr. Jameson



Mr. Queenan

chairman of the AIA committee on relations with the bar. Both emphasized the improved relations between the professions. They said that the National Conference of Lawyers and Certified Public Accountants will soon be reactivated, with members of their respective committees serving as representatives of the two organizations.

Another popular session, held Wednesday morning, was devoted to the

report of the Commission on Standards of Education and Experience, with the following speakers: Louis M. Kessler, Illinois, J. Earl Pedelamore, Louisiana, and Arthur M. Cannon, Oregon.

At the luncheon session on Monday, William M. Allen, president of the Boeing Airplane Company, outlined "Progress in the Aircraft Industry." At the Tuesday luncheon, J. P. Weyerhaeuser, president of the Weyerhaeuser Timber Company, gave an interesting talk on "Trees in Your Life."

THE attendance of 1,724 members and guests was larger than had been expected, and all of the technical sessions were filled to overflowing.

On the concluding day, September 27, the Commissioner of Internal Revenue, Russell C. Harrington, spoke, and tax problems were discussed by a panel consisting of past chairmen of the AIA committee on federal taxation.

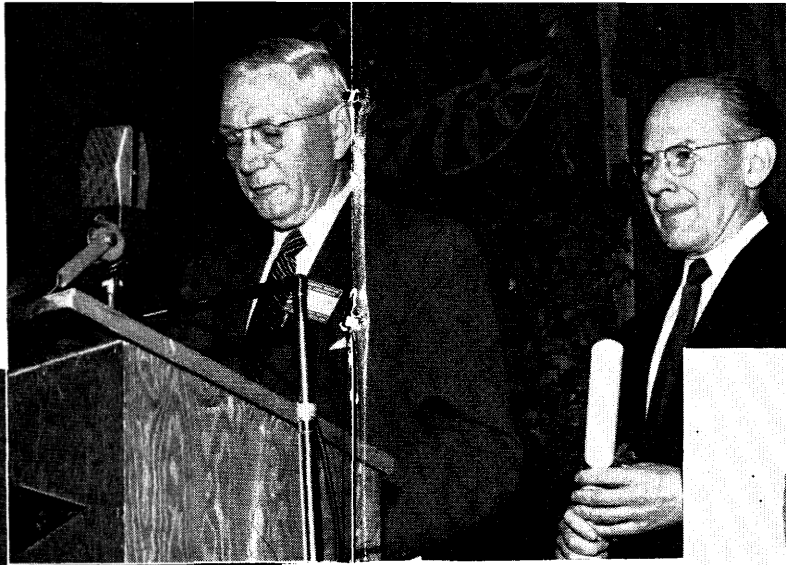
Among the social events were a boat trip along Lake Washington and the Seattle waterfront and the annual dinner which was held Tuesday night, preceded by four regional cocktail parties.

Chairman of AIA's committee on meetings, which supervised all arrangements, was Eric H. Wiles of

(Continued on p. 10)

At AIA Annual Meeting Seattle—Sept. 23-27

Below, William M. Allen, president of Boeing Airplane Company in speech at Monday luncheon. Beside him, l. to r., are AIA's retiring president, John H. Zebley, Jr., and Eric H. Wiles, Washington Society president and chairman of the American Institute meetings committee.



At left, awards committee chairman J. Cyril McGarrigle reads citation to J. S. Seidman, who received AIA's 1956 award for outstanding service to the accounting profession.



Pirate prances for AIA members and guests on boat tour of Lake Washington and Seattle waterfront.



Above, AIA's new officers. L. to r., standing: Donald P. Perry, John B. Inglis, William S. Deeming; seated, Louis H. Penney, Marquis G. Eaton, R. Warner Ring.



At left, J. P. Weyerhaeuser, Jr., president of Weyerhaeuser Timber Company, addresses meeting.



Seattle. Roy C. Comer, also of Seattle, was chairman of the committee on technical sessions.

Statement of Policy On State Legislation

Council adopted the following statement of policy on state legislation:

"1. The public welfare, which is affected by the activities of certified public accountants and of persons calling themselves public accountants or using similar designations, justifies the enactment of licensing laws which establish measures of control and standards of competence for professional accountants.

"2. Ultimately all professional accounting work should be performed by certified public accountants, who have satisfied educational and experience requirements and have demonstrated competence by passage of examinations. Ultimately all other persons should be prohibited from using the term public accountant or any other term which may be taken to mean that the person so designating himself is competent to practice accountancy at a professional level.

"3. The attainment of the ultimate objective of limiting the professional practice of accountancy to certified public accountants in terms of timing and of the manner of accomplishment must be decided by each state in the light of existing circumstances and without pressure

from outside the state for immediate action.

"4. Constitutional provisions require that persons in practice as public accountants as principals when a licensing law is enacted must not be deprived of their means of livelihood. Such persons must therefore be permitted to register, and in so doing should become subject to control and to provisions for revocation of their licenses for unprofessional conduct.

"5. After the initial licensing of public accountants no further registration should be permitted except for those who acquire the CPA certificate by examination, since the public would be confused by the perpetual licensing of two classes of professional accountants under similar titles but with different standards.

"6. In the states and territories which have adopted a licensing law, reopening the registration of public accountants would be contrary to the public welfare, since it would attribute professional competence to persons who had not demonstrated such competence.

"7. Only certified public accountants or public accountants subject to control under licensing provisions should be permitted to sign financial statements with any wording indicating that they have expert knowledge of accounting or auditing.

"8. No one should be prevented from doing accounting work for more than one employer, provided he does not hold himself out as a

certified public accountant or public accountant, or does not sign financial statements in a manner which adds to their credibility.

"9. Free passage of certified public accountants and other licensed public accountants across state lines in response to the needs of their clients should not be impeded by legislation."

Awards and Elections

The American Institute 1956 award for outstanding service to the profession was presented at the annual meeting to J. S. Seidman, an immediate AIA past vice president.

Winners of Elijah Watts Sells awards were also announced. Gold medals went to Arnold E. Reingold (Ind.) for highest score in November 1955 Uniform CPA Examination and to Sherwyn L. Ehrlich (Ill.) for highest score in May 1956 exam. Silver medal winners: Richard S. Simons, Jr. (Ga.), for second highest November score; Barton C. Burns (Wash.) for second highest May score.

Honorable mentions for their performance in November exam were: Clarence A. Cohn, Jr. (Ill.), Don D. Groth (Wis.), Robert Stanley Kay (Ill.), Ronald Gordon Lampe (Ill.), David E. Melendey (Colo.), Edward L. Midkiff, Jr. (Mo.), Mrs. William F. McGlinn (Mo.).

Honorable mentions for May 1956 exam were: Lawrence Block (Ill.),

Frederick Hugh Hermanson (Va.), Archie E. Kovanen (Minn.), Fred Coyle Moellenhoff (Mo.), William E. Rohr (Ill.), and Rudolph W. Schattke (Ill.).

T. Dwight Williams (Okla.) was elected to the Trial Board.

The following new members were elected to Council: Council Members at large (three-year term): Frank L. Arnold (Ohio), William M. Black (N.Y.), Robert E. Witschey (W. Va.). Members of Council (three-year term): Chris H. King (Ala.), David H. Brodie (Calif.), John B. Norberg (Calif.), Frank A. Gunnip (Del.), John M. Stoy (D.C.), Mark W. Eastland, Jr. (Fla.), Willard S. Bowen (Idaho), L. B. McLaughlin (Ill.), Louis H. Pilie (La.), Donald J. Bevis (Mich.), Fred T. Neely (Miss.), J. M. Neumayer (Mo.), Thomas J. Green (N.Y.), J. S. Seidman (N.Y.), Fred C. Dennis (Ohio), Kenneth C. Hurst (Okla.), William P. Hutchinson (Ore.), Michael D. Bachrach (Penna.), I. H. Krekstein (Penna.), William A. Waymouth (Puerto Rico), Bouldin S. Mothershead (Texas), Charles M. Griffin (Utah), Alfred N. Hilton (Va.), Donald E. Gill (Wis.).

Carl A. Freeze (Texas) was elected to complete the unexpired term of new AIA president Marquis G. Eaton, and Theodore F. Woodward (Mass.) was elected to complete the unexpired term of Donald P. Perry, new AIA vice-president.

Professional Notes

November CPA Exam. The schedule for the November 1956 Uniform CPA Examination is as follows:

Nov. 7, 1:30 to 6 p.m.—Accounting Practice, Part I

Nov. 8, 9 a.m. to 12:30 p.m.—Auditing

Nov. 8, 1:30 to 6 p.m.—Accounting Practice, Part II

Nov. 9, 9 a.m. to 12:30 p.m.—Commercial Law

Nov. 9, 1:30 to 5 p.m.—Theory of Accounts

CPAs interested in working as graders for the November examination should contact Robert L. Kane of the education department. The grading is done at the Institute's offices in New York.

New AIA Pamphlets. *The CPA and His Client* reports results of a survey investigating how successful CPAs deal with everyday client problems. The pamphlet, which was prepared under the supervision of AIA's public relations committee, also includes material by John L. Carey on the subject of client relations selected from his *CPA* column. The pamphlet is free to AIA members, 50 cents to nonmembers.

40 Questions and Answers about Audit Reports gives answers to questions bankers are likely to ask about

CPA audits and audit reports. The pamphlet, which was prepared by the AIA committee on co-operation with bankers and other credit grantors, has been sent to all Institute members. Also receiving copies: members of the Robert Morris Associates and The American Bankers Association, two groups which assisted with the pamphlet. Price to nonmembers: 50 cents.

Society Changes Name. The Virginia Society has changed its name from the Virginia Society of Public Accountants to the Virginia Society of Certified Public Accountants.

Members in the News. Theodore Herz, Washington partner of Price Waterhouse & Co., has been named by the Senate Banking Committee to a citizens advisory committee which will help draft banking and credit legislation . . . Nicholas A. Leitner, president of the New Jersey Society of CPAs, has been named adjunct professor of accounting at the Rutgers School of Business Administration . . . Professor Martin L. Black, Jr., of Duke University has received a Fulbright grant to lecture on accounting at Canberra University College, Australia . . . Robert F. Brandt has been named director of the newly established Far East branch of the U.S. General Accounting Office in Tokyo . . . A. Carl Tietjen's article, "A Suggested Change in Examina-

tion Approach," which appeared in the April 1956 *Journal of Accountancy*, has been published in the Mexican magazine, *Finanzas y Contabilidad* . . . W. W. Littlejohn, head of the accounting department at Mississippi State College, has been named assistant dean of its School of Business and Industry . . . At the request of Dr. Lloyd Morey, recently appointed State Auditor of Public Accounts, the Illinois CPA society has formed an advisory committee under the chairmanship of Hugh Nichols to help establish sound accounting policies for state agencies . . . Harold E. Bacon is the Republican candidate for mayor of the Borough of Mt. Lakes, N. J. (Morris County).

Obituaries

GEORGE M. BALD (AIA '31), 53, George H. Bald & Co., Baltimore, Md. September 4.

JOHN L. BENNETT (AIA '41), 48, J. L. Bennett & Co., Tacoma, Wash. August 18.

THOMAS J. BROWN (AIA '37), 68, Brown, Holdridge & Co., Boston, Mass. August 7.

EVERETT D. CAUDLE (AIA '56), 34, Lindsay, Squires & Everett, Asheboro, N.C. August 28.

IRA M. CONANT (AIA '21), 67, Boston, Mass. July 28.

JOSEPH G. DINGLE (AIA '25), 67, Jos. G. Dingle & Co., Ottawa, Ill. August 26.

HOWARD W. KNIGHT (AIA '48), 56, Swanson Ogilvie & McKenzie, Chicago, Ill. August 13.

LEONARD N. PETERSEN (AIA '45), 51,

Wells, Baxter & Miller, Ogden, Utah. August 14.

ISADORE H. ROSENBERG (AIA '41), 62, Laventhol, Kreckstein & Co., Philadelphia, Penna. September.

ALFRED J. ROWLAND (AIA '22), 75, Rowland, Thomas & Company, Miles City, Mont. August 19.

CLINTON E. SMITH (AIA '22), Corpus Christi, Texas. August 17.

WILLIAM S. WETTERER (AIA '46), 56, William S. Wetterer & Co., Louisville, Ky. August 17.

HARVEY YOUNG (AIA '48), 49, Maxwell Abbell & Company, Chicago, Ill. August 20.

Firm Announcements

CALIFORNIA—*San Francisco*: Charles A. Mayer and John E. Gruning announce the formation of a partnership under the name of Mayer and Gruning at 681 Market Street.

DELAWARE — *Wilmington*: Martin M. Isaacson has been admitted into partnership with Isaacson, Stolper & Co.

ILLINOIS—*Chicago*: Wayne S. Boutell has been admitted as a resident partner, and Robert L. Dicke and John W. Nicholson have become principals in Alexander Grant & Company at 1 North LaSalle Street. *Decatur*: Murphey and Nash and Jones, and Ralph Turnbull & Co. have combined their practices into Murphey, Turnbull & Jones at 240 No. Church St. Also office at Springfield (First National Bank Bldg.) and Mattoon (1709 Broadway). *Waukegan*: David Rose announces the opening of an office at 215 Water Street.

LOUISIANA—*New Orleans*: Allen B. Koltun and Jacob M. Fried announce the formation of a partnership under the name of Koltun and Fried at Maritime Building.

MICHIGAN—*Detroit*: Julius J. Gotlieb

and Henry Starkman announce the formation of a partnership under the name of Julius J. Gotlieb & Company at 16265 Meyers Road.

MISSOURI—*St. Louis*: W. L. Ottenad announces the opening of his office at 4386 Lindell Boulevard.

NEW YORK—*New York*: Emanuel Fass and Zachary Buchalter announce the formation of a partnership under the name of Fass & Buchalter at 140 Nassau Street . . . William H. Conkling, Jr., has been admitted into partnership with Hurdman and Cranstoun. Offices also at Syracuse . . . Arthur M. Moll announces the dissolution of the firm of Van Benschoten, Moll & Flaskal and the continuing of his practice at 655 Madison Ave.

PENNSYLVANIA—*Philadelphia*: William C. Schuster has been admitted into partnership with Jenkins, Fetterolf & Co. at 1500 Walnut Street.

TENNESSEE — *Chattanooga*: Edwin G.

Lansford announces the dissolution of the partnership of Oakes, Lansford & Reynolds and the continuing of his practice at 721 James Bldg.

TEXAS—*Amarillo*: H. V. Robertson & Company and George G. Kiker & Company announce the merger of their practices under the name of H. V. Robertson & Company at Barfield Bldg. *Houston*: James A. Krause and A. Burke Haymes announce the formation of a partnership under the name of Krause, Haymes & Co. at 3701 Buffalo Drive.

VIRGINIA—*Richmond*: Hardy & Irvin announce the opening of a branch office at State-Planters Bank Bldg. in Hopewell.

WASHINGTON—*Seattle*: Robert L. Anderson has been admitted into partnership with Pearson and Verhoef at Hoge Building.

WISCONSIN—*Madison*: Lelard R. Fuelle has been admitted as partner into Smith & Gesteland.

Applicants Recommended for Membership

The committee on admissions recommends admission of 286 applicants. They do not become members until voted upon by the Council and declared elected by the president. If protest is to be made against any applicant, it should reach the Institute on or before November 19, 1956.

ALABAMA—*Birmingham*: James D. Montague, William H. Willis, Jr. *Montgomery*: John Rolfe Powell.

ARKANSAS—*Magnolia*: Lillian Clay Cundiff.

CALIFORNIA—*Alameda*: Walter Nyland. *Beverly Hills*: Brien S. A. Heenan, Martin David Kraus. *Burbank*: Gerald Dudley Woodard. *Hollywood*: Meyer Branman. *Long Beach*: Boyd W. Lemmon. *Los Angeles*: Roy Nelson Bloom, Donald Robert Ford, Clifford Edwin Hey, Jerome Kardell, Donald James Kevane, Graham S. Lund, Arnold Miller, Richard Miller, K. A. Mounce, Royal H. Osterhout, Paul M. Ozawa, Joseph William Schleiff, Vance Wallace Schneider. *Oakland*: Francis Lawrence McCullough. *San Fran-*

cisco: W. Keith Argabright, Frederick H. Barnes, Raymond V. Beccio, William Ralph Bigelow, Eugene J. Corman, Stanley Marshall Felix, David J. Nagler, Orville George McMillan, Herbert Witt. *San Luis Obispo*: Dorothy M. McLinn. *Santa Ana*: Warren Finley. *Santa Monica*: Harold V. Babbitt. *Van Nuys*: James Rembert Anderson. *Vernon*: Richard J. Hart. *Visalia*: Doyle B. Saxby.

COLORADO—*Colorado Springs*: Edwin L. Olsen. *Denver*: Gordon S. Carvill, Louis L. Fox, Samuel Kumagai. *Pueblo*: Thomas H. Busey.

CONNECTICUT—*New Haven*: Howard K. Andrews, Francis X. Conlon, Samuel Marvin Finer, George E. Mendillo, Jr., William M. Roche. *Waterbury*: Robert J. Kelley.

DELAWARE — *Wilmington*: Robert E. Beatty.

DISTRICT OF COLUMBIA: Leonard Leon Abel, Edward J. Burns, Jr., Walter T. Charlton, Harry G. Kirst, John J. Kockback, Edward J. Manley, Robert T. McCleary.

FLORIDA—*Fort Lauderdale*: Lowell Hugh Coffman, Jr. *Miami*: Thomas Buck Day, Herschel Rosenthal, William M. Seldine. *Miami Beach*: David B. Hipsman. *St. Petersburg*: Jay Gordon Loader, Harold C. Taylor.

GEORGIA—*Atlanta*: Norman Dressel, Charles A. Gearhart. *Marietta*: Truitt D. James.

ILLINOIS—*Chicago*: Harold V. Braun, Edgar C. Butterbaugh, Sidney Flaxman, George W. Fry, Jr., Herman Irving Horwitz, Donald V. Kane, James Winge Leisner, Herbert Lustigson, Ronald S. Malec, R. Bradner Mead, Robert G. Nichols, Lester J. Rosenberg, Thomas A. Schulte, John Fred Vokaty, James William Willner. *East St. Louis*: Robert C. Gill. *Melrose Park*: Walter Edward Meyer.

INDIANA—*Ft. Benjamin Harrison*: Sidney Seaborn Eason. *Ft. Wayne*: Robert B. Carroll. *Indianapolis*: Richard A. Jackson. *Mishawaka*: Eldon E. Ebbeskotte.

IOWA—*Clinton*: Ray L. Bachman.

KANSAS—*Dodge City*: Elden L. Beebe. *Kansas City*: A. Lex Evans. *Wichita*: Keith L. Zody.

LOUISIANA—*Lafayette*: Harry J. Clostio. *New Orleans*: Frank A. Von der Haar, Jr. *Shreveport*: Calvin Jackson May.

MAINE—*Bangor*: Maynard Miller.

MARYLAND—*Baltimore*: John A. Hesse, Jr. *West Hyattsville*: Woodrow Walton Jenkins.

MASSACHUSETTS—*Boston*: James H. Antonellis, Samuel D. Savage, Paul G. Smith.

MICHIGAN—*Detroit*: S. Edward Bolster, Dwight Brown, Ernest H. Davenport, Dale J. Lillis, Carl C. Miles, August L. Mollenkamp, Charles Shuff, III. *Flint*: Williamson H. George. *Highland Park*: Edward B. Dooley. *Kalamazoo*: William C. Slack. *Muskegon*: Arthur G. Rudd.

MINNESOTA — *Minneapolis*: Justin E. Darby, Monroe Glickman.

MISSOURI—*Clayton*: Paul J. Vogt. *Kan-*

sas City: Elmer L. Horseman, Jr. *St. Louis*: Herbert Sax, Irvin Maurice Shechter.

MONTANA—*Bozeman*: Herbert H. Kirchoff.

NEBRASKA—*Fremont*: Martin N. Colton.

NEW JERSEY—*Bloomington*: Charles J. Ferraioli. *Camden*: John M. Mattessich. *Long Branch*: George V. Curchin. *Newark*: Robert Van Schaick. *New Brunswick*: Charles J. Petrics. *Paterson*: David J. Raibert. *Perth Amboy*: Harold Gold. *Toms River*: John C. Meyer. *Trenton*: Edward J. Marotte, Jr. *Union City*: Marvin Cahn.

NEW YORK—*Freeport*: James A. Simson. *New York*: Theodore Ackerman, Milton Adelman, Norman Alpert. Samuel Byer, William Joseph Byrne, Jr., Ronald G. Calabro, Ralph Deter, Douglas A. Dickey, Leonard C. Dorfman, Joseph P. Dowd, Henry Edward Ebel, William H. Fitzsimmons, Leo Friedman, Manus M. Gass, Samuel S. Gross, Frederick Groth, Robert P. Hodessblatt, Stuart Kahn, Benjamin N. Katz, Ely Kushel, Matthew Patrick Landers, Irving Levine, Fred Meckel, Jr., Francis Xavier O'Connor, Alfred G. Paulson, Kenneth James Rosa, Morris P. Sarner, Joseph B. Schorr, Loren Kendrick Seeley, Seymour Sicklick, Harold Maurice Silverman, Stuart A. Simel, Moses Sternlieb, Jerry Callander Tobin, Frank L. Wolf, Edward M. Yelon. *Rochester*: Ralph S. Miller.

NORTH CAROLINA — *Charlotte*: James Hunter Faulkner, G. W. Hightower. *Concord*: Charles L. Caywood. *Lumberton*: Joseph L. Lineberry.

OHIO—*Cincinnati*: John H. Kolhoven, Walter A. Kreidler, John E. Powers. *Cleveland*: Myer Givelber, G. Wm. Jedlicka, Bernard Keister, Donald F. McQuilkin, Caryl J. Porter, John Robert Rukosky, James B. Wolf, Jr. *Columbus*: Ralph Davis Dickson. *Dayton*: Robert Guy Moody Bordley, Donald Paul Mescher. *Salem*: Wallace N. King. *Toledo*: Robert Edward Bargmann, Paul James Jacob.

OKLAHOMA—*Enid*: Joe L. Dwigans. *Oklahoma City*: Howard C. Mann,

Charles W. Patchen, Jr. *Tulsa*: Lynam E. Hoffman, John Loss, Gerard G. Moss.

OREGON—*Hermiston*: A. E. (Earl) Glidewell. *Portland*: John R. Dingley.

PENNSYLVANIA—*Erie*: Harold M. Small, Francis G. Weithman. *Harrisburg*: Carl Allen Bredbenner, Robert S. Prouser. *Oil City*: Edward B. Olmes. *Philadelphia*: John F. Fricko, Ellis Ivan Hoffman, Leon W. Laskaris, Milton Marcus, James W. McDonnell, Edward J. Pinder, Charles Safer, Harry Schwartz, Martin H. Selisler, George Smyrl, Jr., Harry John Spellman, Araxy Tatarian. *Pittsburgh*: Vincent Arcuri, Raymond W. Curtin, George McGill Goshorn, Fred O. Moore, John J. O'Connor, Jr., Howard E. Plung, Paul Kent Schake, Myron Swartz, Frederick C. Van Scoyoc. *Upper Darby*: Morton Bernard Horrow, Leonard Klingsberg, George E. Marucci. *Warren*: Victor E. Gustafson, Jr. *West Newton*: Camille Anthony Picciano.

RHODE ISLAND—*Providence*: Jerome Jacob Katz, N. Everett Picchione.

SOUTH CAROLINA—*Spartanburg*: G. Ray Harris.

SOUTH DAKOTA—*Aberdeen*: D. J. Keenan. *Sioux Falls*: Larry Ritz.

TENNESSEE—*Dyersburg*: Charles Fuller Moore. *Maryville*: Harold Gilbert King. *Memphis*: Charles O. Friedman. *Nashville*: Edward W. Skulley, Douglas T. Smith.

TEXAS—*Beaumont*: J. E. Neushafer. *Bellaire*: Eugene B. Courtade. *Corpus Christi*: Josephine M. Monge, Warren Wishnack. *Dallas*: Russell T. Dethlefsen, John M. Gray, George G. Gribbin, B. J. Williamson. *El Paso*: Don Johnson. *Fort Worth*: Ronald Randall Rice, Lowell W. Stephens, Robert Richard Williams. *Houston*: Dewey G. Glasscock, Jr., Emmitt Elsworth Jamison, Byron Glen Jordan, George William McNiel, Charles Jerome Rafferty, Carla A. Russell. *Midland*: Donald E. Cassling. *Texas City*: G. Bobb Head. *Tyler*: Phil B. Cook. *Victoria*: John Oden Hnatek, Melvin L. Roloff. *Waco*: Rodney L. Brown.

UTAH—*Ogden*: William J. Greer. *Salt Lake City*: Joseph Walter Gadd.

WASHINGTON — *Seattle*: John Edwin Gamlam, Ralph W. Garhart, Carl E. Jacobsen, Anthony Johnson, Howard P. Johnson, Richard C. Kelly, Paloma Dale Kirkwood, John D. Levy, John R. Pedersen, Edward A. Shaffer, Raymond O. Tame.

WEST VIRGINIA—*Parkersburg*: William J. Hackett.

WISCONSIN—*La Crosse*: Gerald A. Heberlein. *Madison*: Willard W. Huber, Wilfred T. Johnson. *Milwaukee*: Eugene B. Frank, Charles R. Jewell, Eugene M. Recknagel, Donald O. Zimdahl, Jack Zuckerman. *Thorpe*: Wallace A. Hintz.

FRANCE—*Paris*: Eugene David Lacy.

THE CERTIFIED PUBLIC ACCOUNTANT

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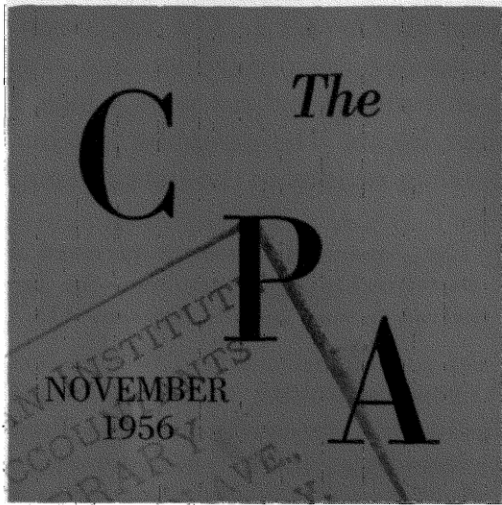
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IN THIS ISSUE:

*Selection of
American
Institute
Committees*



News Notes of the Month

FOUR state CPA societies or chapters arranged joint discussion meetings with bankers within a month after publication of the AIA pamphlet, *40 Questions and Answers About Audit Reports*, which was produced with the assistance of the American Bankers Association and Robert Morris Associates. Meetings have been held or scheduled in Buffalo, Pittsburgh, Providence and by the Washington-Baltimore chapter of RMA.

Executives of AIA and the California Society of CPAs have arranged a series of conferences in New York, Washington, and other cities with prominent lawyers, Treasury officials, legal and public relations counsel to discuss whether or not the *Agran* case should be appealed to the U. S. Supreme Court. A policy decision is expected in mid-November.

A Classification of Management Services by CPAs, a pamphlet by the committee on management services, is being sent to all AIA members at about the same time as this

issue of *The CPA*. The list, described as “tentative and exploratory” is divided into ten categories of services other than auditing and tax work which CPAs may perform for their clients. The pamphlet is being sent to members only, pending revision in the light of comments and criticism.

The American Institute received 309 applications for membership in September—the largest number ever received in one month. Present AIA membership: 27,850.

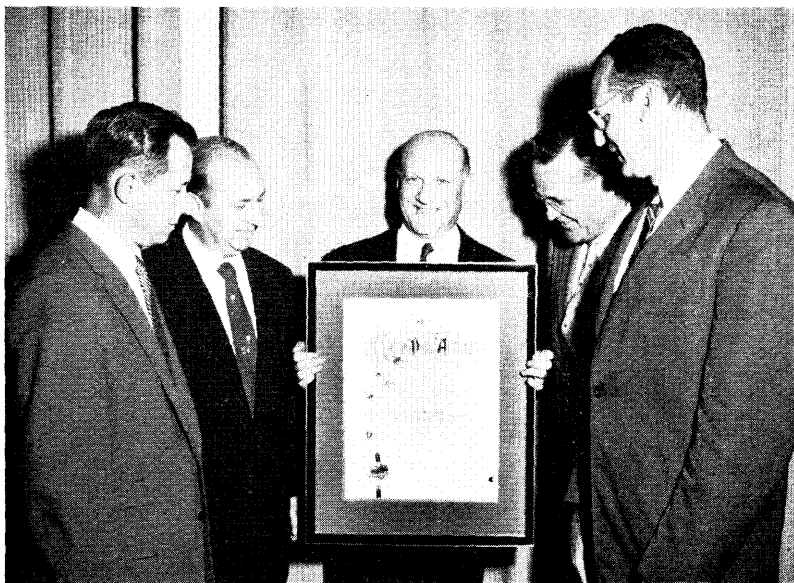
A new committee to study *long-range objectives* of the Institute has been appointed by President Eaton as a result of discussions in the executive committee. The new committee, under the chairmanship of J. S. Seidman, will develop plans for future AIA activities in the light of expected professional growth, new educational standards, personnel needs, possible expansion of professional services, and other problems which must be met to keep pace with the phenomenal growth in number of CPAs. Other committee members are Herman W. Bevis and Robert E. Witschey.

The American Institute will appoint a limited number of delegates to the Seventh International Congress of Accountants, scheduled for Amsterdam, September 9—13, 1957. Official delegates will be chosen primarily on the basis of activity in Institute and state society affairs. All CPAs are invited to attend, and anyone who wishes to do so should contact the AIA office. Registration fee is 135 guilders (\$35.23). Registrants and ladies will be guests of the Netherlands Institute of Accountants and the Netherlands Association of University Trained Accountants, co-sponsors, at all social events.

Requests for the Institute's *continuing education course* in administration of tax practice have already been received this fall from nine state societies or chapters in eight states.

The report-writing course is being given in 11 states at 15 locations with classes averaging 25 members. Another course on accountants' legal responsibilities is being tested, and two more courses are under preparation. AIA plan is to produce enough courses so that state societies or local chapters, the only groups permitted to give them, will be able to offer a series of different subjects. For more data, write the Institute's education director, Robert L. Kane, Jr.

George O. May delivered Walker-Ames lectures at the University of Washington in Seattle from October 24-November 4. He is the first such lecturer selected in the field of accounting and finance. The Walker-Ames Foundation was established in 1936 to draw to the Pacific Northwest world authorities in all fields.



Members of the California Society's Los Angeles Chapter accept citation for developing special statement of accounting principles from the City Board of Social Service Commissioners. L. to r.: Harry B. Sanders, Richard A. Vilmure, John I. Marder, LeRoy H. Cole, S. Edward Tomaso.



from the

Executive Director's Desk

SHOULD a practicing CPA contribute his professional services to nonprofit organizations which serve his community? Most practitioners at one time or another are asked to audit the accounts of churches, hospitals, charities, community chests, chambers of commerce, and similar organizations. Usually a certified public accountant likes to accept these engagements because they give him a sense of participation in activities devoted to community welfare. But the question always arises whether to do the work without any fee at all, whether to bill costs only, or whether to charge regular rates and then make a cash contribution to the organization roughly equivalent to the excess over costs.

The answer in each case will depend partly on the magnitude of the engagement. If it is insignificant, it might be embarrassing to submit a bill for a trifling amount. If it involves substantial costs, the practitioner may not be able to afford to contribute such a large amount. The answer also depends partly on the practitioner's own temperament. One course might give some CPAs more satisfaction than another.

The opinion of a beneficiary of contributed accounting services might be interesting. Frank W. Mueller of the

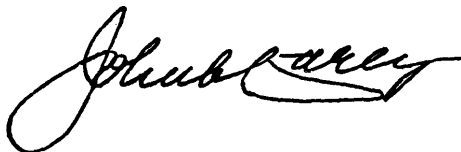
U. S. Chamber of Commerce, who has had years of experience in local chamber work, recently wrote me:

“I personally concur with the thinking of the group that charges for services and then perhaps takes out a bigger membership in the local chamber of commerce.

“I know that as a local manager at one time I was fortunate to have the top CPA firm in my town always do the chamber of commerce auditing gratis. Sometimes it was just a little bit embarrassing for me as the general manager and for my board of directors to ask that this service be done for us. We would much rather have had this firm charge us the regular rate and then perhaps increase their membership dues so that they would be getting full credit. Other accounting firms in our town were giving about the same amount of financial support and there was no way for us to show on our books this fine physical contribution that this particular group was making.”

It seems to me that the least desirable procedure is to bill costs only. The practitioner gets neither the credit for doing the work for nothing, nor the credit for contributing the amount which normally would be partnership income.

To be sure, it is not praiseworthy to seek publicity for one's benevolences. Anonymous charity is the most admirable. But this needn't mean that the community should be encouraged to undervalue professional work by habitually receiving free service without ever realizing what it would cost if it weren't given as a contribution.

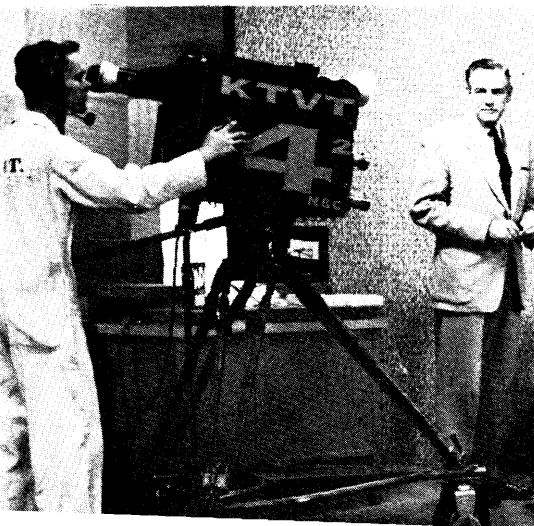
A handwritten signature in cursive script, reading "John Carey". The signature is written in black ink and is positioned in the lower right quadrant of the page.



Executives and speakers at the 25th anniversary celebration of the Institut der Wirtschaftsprüfer in Dusseldorf, Germany. L. to r.: Wilhelm Dieterich, Wilhelm Elmendorff, Franz Merkle, Joseph Esser, and Karl A. Herrhammer, Haskins & Sells partner representing AIA.

Below, new officers of State Society Executives Association: Agnes L. Bixby (Mass.), re-elected secretary; Dan Dansby, Jr. (Tex.), chairman; Robert R. Bangham (Ohio), vice chairman.

Below, members of the ladies auxiliary of the Utah Association of CPAs appearing on Gordon Owen's television program in Salt Lake City. The ladies' discussion of the nature of the work performed by their CPA-husbands was part of this year's program of public relations and community activities.



SELECTION OF AMERICAN INSTITUTE COMMITTEES

LAST YEAR 42 of the Institute's 50 committees held a total of 92 meetings, most of them lasting a full day and some for two or even three days. In addition, all committees handle a considerable amount of work by correspondence.

These committees—with three new ones appointed for the first time this year—furnish the life blood for all Institute activities. Subject only to the major decisions made at the semi-annual meetings of Council and the annual membership meeting, they determine policy and participate in its execution.

Approximately one Institute member in twenty-five is serving on a committee each year. With service on one committee generally limited to three years, there is sufficient turnover so that almost every member who is willing to accept can expect appointment at some time during his professional career. (A committee member may serve longer if he becomes chairman, but chairmanships are also usually limited to three years.)

Members of the executive com-

mittee, the committees on admissions and professional ethics, the Board of Examiners and Trial Board are elected by Council. The nominations committee is elected partly by Council and partly by the members at the annual meeting. All other committee members are appointed by the president.

More than one thousand letters of appointment were sent to Institute members within two weeks after the new president was elected on September 24 at the annual meeting. By the deadline of October 15, only 13 had declined, and the new committees were ready to function. Several had started before that.

Behind this achievement there were months of planning and organization. The president this year had 980 appointments to make, from a list of about eighteen hundred names submitted for his consideration.

Where Names Come From

Suggestions for committee appointments come from a number of sources. Each spring, every member of Council, including state society presidents, is asked to send names, and every member of the Institute is encouraged to make suggestions or volunteer his own services. Individuals may be chosen because of a speech at a meeting, an article in a state society publication or *The Journal of Accountancy*, or even because they have written a letter

showing interest in a particular subject. Special consideration is given to those who have rendered outstanding service on a state society or chapter committee.

After all the names have been assembled, the Institute administrative department prepares a list of possibilities for every committee, including those already on the committee and the number of years they have served. Committee chairmen are asked to indicate which members have been faithful in attending meetings and have otherwise demonstrated active interest.

During the summer, the Institute president, the nominee for president and the executive director hold a number of meetings to make tentative selections. The list is then further analyzed with respect to these considerations:

- Fair representation of large and small firms.
- Geographical distribution.
- Representation where appropriate of accounting teachers and others not engaged in public accounting.

Special Considerations

Except for the membership committee, which has 476 members, there is an unwritten rule that no accounting firm shall have more than one person on any committee.

For all of these reasons, and because the president is necessarily guided to a considerable extent by the advice he receives from Council

and committee chairmen, it is not possible to give every member the committee assignment he would most like, but all requests are given serious consideration.

The membership committee is of course selected on a geographical basis. The following table shows ratios between AIA members and members of committees (other than membership) from four regions:

<u>Region</u>	<u>AIA Members</u>	<u>Committee Members</u>
Middle Atlantic- New England	38%	45%
Central and Great Lakes	27%	24%
Southern	18%	18%
West, Northwest and Mountain	17%	13%

Again excluding the membership committee, two-thirds of the committee members are individual practitioners or in local firms; one-third are from 16 national or regional firms. Thirty of the new committee members are teachers of accountancy or in positions other than public practice.

The committees and subcommittees on accounting personnel led in number of meetings last year with 11; the committee on federal taxation and its executive group or subcommittees met 10 times, and the executive committee met 6 times. The committee on accounting procedure met 4 times, auditing procedure 3 times, and most of the others once or twice.

Professional Notes

Tax Season Program. AIA's annual program to disseminate income tax information gets under way November 15. On that date, a kit containing the 1957 tax guide, local newspaper articles, and TV and radio scripts for use in local programming will be mailed to state societies.

The kit calls attention to the availability of the AIA-IRS film, *Helping the Taxpayer*, radio spot announcements by Tex and Jinx McCrary, and a new type of TV spot announcement in which Tex Antoine will accompany tax hints with appropriate drawings made on camera.

An article has also been especially prepared for armed services' newspapers, answering income tax questions peculiar to servicemen.

Council Activity Plan. The Institute has initiated a year-round continuing program to encourage increased local activity by Council members.

Goals of the program, which was authorized by the executive committee recently:

- To develop a better understanding of the Institute's activities by the general membership.
- To assist state society presidents in rendering more complete reports of these activities in their states.
- To enable members to make their

views known through their elected representatives.

- To acquaint nonmember CPAs with the Institute's functions and the advantages of membership.

Council members will be assigned to discuss the Institute's activities and plans at meetings of state societies and chapters. Where no chapters exist, the Institute hopes state societies will organize informal meetings of local AIA members. Nonmember CPAs will also be invited to attend.

On request, Council members will be supplied a kit of background material which may prove helpful in conducting successful meetings.

CPA Handbook. Nearly one thousand copies of the new edition of the *CPA Handbook* have been sold since its publication in March of this year.

The new edition, in two volumes, contains all the material of the original with the exception of "Duties of Junior and Senior Accountants" and miscellaneous Institute publications. Price \$12.50.

The original edition, published in 1953, has sold over twelve thousand copies at a price of \$18 to members, \$27 to nonmembers.

More New Committees. In addition to the committee on long-range planning (p. 2), President Eaton has appointed new committees on co-operation with the Internal Revenue Service, Mark E. Richardson,

chairman, and statistical sampling, Robert M. Trueblood, chairman.

The IRS committee will maintain continuous liaison with the Revenue Service to discuss problems of practitioners in dealing with revenue agents, and vice versa, as well as procedures and standards of Treasury practice.

The committee on statistical sampling will study the application of scientific sampling techniques to the selection of audit samples.

A complete list of committee chairmen and members for 1956-57 will be mailed to all members late this month.

Controllers Elect Officers. Three AIA members have been elected officers of the Controllers Institute for the coming year. They are: Dudley E. Browne, comptroller of Lockheed Aircraft Corp., president; Stuart W. McLaughlin, comptroller of West Virginia Pulp and Paper Company, vice president and treasurer; Herbert M. Kelton, vice president of United States Rubber Company, assistant treasurer.

Mexican Meeting. More than two hundred accountants and accounting teachers met in Mexico last month at the First International Accounting Conference of the Monterrey Institute of Technology and Advanced Studies.

Among the speakers were three AIA members: Jerome J. Kesselman,

Louis M. Kessler, and Carman G. Blough.

Commented Mr. Blough: "The excellent speeches at the conference were marked by high standards of professional responsibility. I was very much pleased by the extent to which our Mexican colleagues have used our American Institute's publications and committee recommendations as guides for the development of their standards and procedures."

Two State Societies Name Secretaries. The Indiana Association of CPAs has named Mary Ann Shingledecker executive secretary. The Virginia Society's new executive secretary is Harris Mitchell.

Foreign Visitors. Four prominent foreign accountants were among the visitors to AIA's offices in New York last month. They were:

- Sir Richard Yeabsley, president of Britain's Society of Incorporated Accountants.
- George Innes Stewart, president of the Institute of Chartered Accountants of Scotland.
- J. Kraayenhof, former president of the Netherlands Institute of Accountants.
- Roberto Casas Alatrisme, former president of the Mexican Institute of Public Accountants.

Recruiting Accountants. A new pamphlet describing prerequisites to a career in private accounting and

opportunities for advancement has been published by the Controllers Institute. *Moving Up in Business—A Look at Managerial Accounting* costs 25 cents, is sent free to secondary schools, high school counselors, and students. Write to Controllers Institute, 2 Park Ave., New York 16, New York.

The American Institute's motion picture film, *Accounting—The Language of Business*, released in December 1953, has had 11,721 live showings before approximately 750,000 viewers, most of them high school and college students. The twenty-minute film, which dramatizes public accounting as a professional career, has also been shown to TV audiences estimated at 37 million.

The movie is available free from Association Films, Inc., at any of its following four offices: 351 Turk St., San Francisco, Calif.; 1108 Jackson St., Dallas, Texas; 79 E. Adams St., Chicago, Ill.; Broad at Elm, Ridgefield, N.J.

Pamphlets on accounting as a career are available from the AIA.

Reorganized Tax Committee. The federal tax committee has been expanded and reorganized to deal more effectively with a steadily increasing range of activities. Membership has been raised to 50, and the committee has been divided into six subcommittees, in place of the former three.

Wallace M. Jensen is the new gen-

A Reminder

Ballots on AIA's proposed name change must be returned by December 9. Members should be sure to sign and check the ballot. Thus far, 32 ballots have been returned unsigned, and an equal number have not indicated the member's acceptance or rejection of the proposal.

eral chairman. The new subcommittees, with their chairmen, are as follows:

- Determination of taxable income, Thomas J. Graves.
- Corporations and stockholders, Leslie Mills.
- Partnerships and partners, J. P. Goedert.
- Employers and employees, Matthew F. Blake.
- Estates and trusts, Maxwell A. H. Wakely.
- Administration, procedure, and miscellaneous taxes, Benjamin Grund.

Staff Additions. Two men have been added to the Institute staff. Roderic A. Parnell, for five years a district news editor for F. W. Dodge Corp., construction marketing specialists, is new assistant administrative secretary. James R. Kuhn, formerly with Francis I. Du Pont, stock

brokerage firm, is a new assistant in the public relations department. Mr. Parnell graduated from Yale in 1950, Mr. Kuhn from Ohio State University in 1952.

Which Fiscal Year? An article in the financial section of *The New York Times* for October 2 discussed AIA's campaign for the "natural business year" and commented that it is gaining wider acceptance each year.

A list of suggested closing dates prepared by the AIA natural business year committee was extensively quoted.

Members in the News. Andrew Barr has been appointed chief accountant of the Securities and Exchange Commission . . . F. T. Hodgdon, Jr., controller and assistant treasurer of the Cleveland *Plain Dealer and News*, has been elected president of the Institute of Newspaper Controllors and Finance Officers . . . John L. O'Brien is seeking reelection to the State of Washington House of Representatives from the 33rd District. He was Speaker of the House in the 1955 session . . . Harry R. Baker has been reappointed by New Jersey's Governor Robert Meyner to a three-year term as a member of the board of trustees of the Hoboken Industrial School for Adult Education . . . Solomon Newborn has been elected president of the Plainview (N.Y.) Board of Educa-

tion . . . Benjamin Newman, associate professor of accounting at Adelphi College, has been appointed editor of *The New York Certified Public Accountant* . . . Henry Whitcomb Sweeney will occupy the recently-established professorial chair in accounting study and research at the Columbia University Graduate School of Business . . . Arthur B. Foye, senior partner of Haskins and Sells, has been named chairman of the Albert Gallatin Associates, a New York University organization which grants educational and research endowments . . . W. S. B. Sampson has been appointed to the staff of the International Bank for Reconstruction and Development.

Obituaries

HERBERT F. BAKER (AIA '28), own account, San Francisco, Calif.
FRANCIS W. HARVEY (AIA '49), 42, F. T. Andrews & Co., San Francisco, Calif. September 20.
JOHN J. SINNOTT (AIA '44), 50, own account, Cleveland, Ohio. October 3.
ALEXANDER D. STEWART (AIA '50), 48, Stewart, Cunanan & Co., Manila, Philippines. October 2.
GEORGE M. WRAY (AIA '49), 48, Calcor Corporation, Los Angeles, Calif.

Firm Announcements

ARIZONA—*Tucson*: Treadaway Moore & Company announces the retirement of Merle W. Moore from partnership and the formation of a new partnership un-

der the name of Treadaway Tipescu & Co. at 84 W. Pennington St. AIA members who are partners in the new firm are: George Tipescu, L. N. Treadaway, Arleigh R. Burton, R. Dale Moser, and Rolin E. Cummings.

CALIFORNIA—*Beverly Hills*: Sheldon I. Silver has been admitted as partner in Cohen, Hammer and Company at 333 South Beverly Drive. *Los Angeles*: Knutson & McCarville have formed a partnership at Suite 1124 Statler Center. Offices also at 2486 Huntington Drive, San Marino . . . Ben Wallace announces the formation of a partnership under the name of Wallace & Wainess at 8721 Sunset Boulevard.

CONNECTICUT—*Stamford*: Harry Wilkov announces the opening of his office at 322 Main Street.

DELAWARE — *Wilmington*: Arthur H. Krieger announces the formation of a partnership under the name of Krieger & Shapiro at 1001 Tatnall St. Offices also at 225 Broadway in New York City and at 11 Commerce St. in Newark, N. J.

FLORIDA—*Coral Gables*: William O. Walton announces the formation of a partnership under the name of Walton and Thorpe at 220 Catalonia Ave.

GEORGIA—*Macon*: Walker and Meadors announce the removal of their offices to their own building, 828 Riverside Dr.

IDAHO — *Lewiston*: Presnell & Fairley have removed their offices to Lewiston Professional Bldg., 1219 Idaho St.

ILLINOIS—*Chicago*: Main and Company announce the admission of Arthur C. Drogemueller and Roy W. Nelson as partners . . . Daniel M. Simon announces the formation of a partnership under the name of Daniel M. Simon and Company at Room 1008, 134 N. LaSalle St.

IOWA—*Des Moines*: James R. MacNaughton has been admitted to partnership in Ernst & Ernst.

LOUISIANA — *Baton Rouge*: Bougeois, Russell & Company (New Orleans) have

opened an office in the Union Federal Bldg. Walter Brown is resident principal.

MICHIGAN—*Detroit*: Herbert P. Sillman and Harvey L. Kleiman have formed a partnership as Sillman and Kleiman at 16265 Meyers Road.

MISSOURI—*Kansas City North*: L. Dean Reno, formerly with Arthur Andersen & Co., announces the opening of an office at 2510 A. Vivion Road . . . Henry W. Welsh announces the opening of an office at 905 Waldheim Bldg.

NEW JERSEY—*Freehold*: Mayo Mernone announces the opening of an office at 57 West Main Street.

NEW YORK—*New York*: The firm name of Joseph Solomon & Co. has been changed to Solomon & Turer at 95 Madison Ave.

OREGON—*Klamath Falls*: Fred Burgoyne announces the resumption of his practice at 206 Stewart-Drew Bldg. and the acquisition of the practice of Southwell & Stilwell.

PENNSYLVANIA — *Dubois*: Lawrence E. McGough has become a partner of Kessler, Sharkey and Peterson at Dubois Deposit National Bank Bldg.

TENNESSEE—*Newport*: Robert L. Wiley announces the opening of an office at 115 East Broadway.

TEXAS — *Abilene*: H. Lee Smith announces the opening of an office at Room 106 Citizens National Bank Bldg. *Dallas*: Leon E. Smith announces the opening of an office at 704 Great National Life Bldg.

VIRGINIA—*Richmond*: Percy M. Smith, Jr. announces his withdrawal from the firm of Mitchell, Wiggins & Smith and the opening of his office at 1001-1002 Insurance Bldg., 10 South Tenth St.; J. Sydnor Mitchell, R. E. Wiggins, C. Hunter Jones, Robert J. Lechner, and Frank E. Barden will continue the practice under the name of Mitchell, Wiggins & Company at Southern State Bldg. Offices also at Daniel's Bldg., Rocky Mount, North Carolina. *Roanoke*: The firm name

of Powell, Anderson & Reed has been changed to Anderson & Reed with offices at the Shenandoah Bldg. Edward Leo Burton has been admitted into partnership of that firm.

EUROPE: Price Waterhouse & Co. (European firms) announces that Thomas L. Ferguson, O.B.E., C.E., retired from partnership on June 30. The office in Brussels

is now in charge of William Kerr, C.A. On July 1, Richard N. Brooke, A.C.A., Eugene D. Lacy, CPA (New York), and George E. Cusworth, A.C.A. were admitted to partnership. Messrs. Brooke and Lacy are in Paris, Mr. Cusworth in Frankfurt. In addition Wilfrid H. Belchamber, A.C.A., resident in Rome, has been admitted to partnership in Italy.

Applicants Recommended for Membership

The committee on admissions recommends admission of 254 applicants. They do not become members until voted upon by the Council and declared elected by the president. If protest is to be made against any applicant, it should reach the Institute on or before December 7, 1956.

ALABAMA — *Birmingham*: Chas. H. Moses, Jr. *Mobile*: Milton Spence Jones. *Montgomery*: Alvin Kenneth Anderson, Herman Newman Blackwell.

ARIZONA — *Phoenix*: Patricia Crocker Stout.

ARKANSAS—*Little Rock*: H. G. "Jack" Frost, Jr.

CALIFORNIA—*Alameda*: James Francis Murray. *Beverly Hills*: Maxwell Campbell. *Los Angeles*: Donald Edward Chelwe, Theodore Tibor Flesch, Julius Henig, Sidney Macofsky. *Sacramento*: Renato R. Parenti. *San Francisco*: Bernard Art, T. M. Bartlett, Jr., Richard Joseph Cortopassi. *Visalia*: Neshan N. Sheklian.

COLORADO—*Denver*: Walter G. Lesan, Jr.

CONNECTICUT—*Bridgeport*: Charles W. Church, Howard Philip Zolan. *Hartford*: Clifford R. Maynard, Richard W. Peckitt, Harold Bennett Shapiro, Edward L. Starowski. *Norwalk*: George Schulman. *Stamford*: Milton Mann, Robert L. Taber.

DISTRICT OF COLUMBIA: Harlan Bruce Epley, John Edward Spence.

FLORIDA — *Coral Gables*: Harry R. Thorpe. *Dade City*: Joseph Austin Sperry III. *Ft. Lauderdale*: James Hamilton Wilson. *Hollywood*: Gerald T. Eaton. *Miami*: Erwin Allen, Bernard Shenkman, William K. Wray. *Tampa*: Luciano Prida. *West Palm Beach*: Thomas E. Cochrane.

GEORGIA—*Atlanta*: Abram Siegel, James Coke Wiggins. *Calhoun*: Ronald Merrill Dobbs. *Cordele*: Robert L. Johnson.

ILLINOIS—*Chicago*: John Carter Adams, Armin Gilbert Baron, Andrew P. Bougas, Farlin Caufield, Clarence A. Cohn, Jr., Sherwyn L. Ehrlich, Dale Arnold Fischer, William D. Fischer, Lewis L. Gates, William K. Gilberg, Sidney Greisman, Irving Kupferberg, Ronald G. Lampe, Roy D. Raemer, Morris William Rubenstein, William David Rueckberg, Hyman Robert Skaltsky, Robert Earl Spiller, Sidney Waller. *Maywood*: Harry A. Foster. *Moline*: John Floyd Robison. *Peoria*: James A.

Ohlman. *Springfield*: Joseph H. Churchman.

INDIANA—*Indianapolis*: Evard Edward Isaac. *Jeffersonville*: George C. Taylor. *Notre Dame*: William E. Slowey. *South Bend*: John Frederick Christman, Jr., Harvey L. Sanner, Jr.

IOWA—*Cedar Rapids*: Junius M. Kegley. *Des Moines*: Ben D. Givens, John William Lankelma, Frank Martinache, Jr., Sheldon Rabinowitz. *Waterloo*: John J. Moran.

KANSAS—*El Dorado*: William Thomas Ward. *Topeka*: Donald Eugene Brunton. *Wichita*: Marion H. Ely, George E. Tiffany, Jr.

LOUISIANA — *Baton Rouge*: Walter Brown. *Lake Charles*: Gus William Schram, Jr. *New Orleans*: Raoul J. Navaille, Wiley M. Wilkinson, Jr. *Ruston*: Edward S. Rapier.

MARYLAND—*Annapolis*: Raymond M. Wheat. *Baltimore*: G. Van Ness Bulough, Joseph Frank Giza, Robert Michael Hankin, Mishel Selman Roseman, John Robert Whiting.

MASSACHUSETTS—*Boston*: Charles P. Miller.

MICHIGAN—*Bay City*: Charles Carroll Ryan. *Detroit*: Edward E. Bolle, Francis R. Coseo, Richard E. D'Arcy, William K. DeFrain, Thomas Earl Garrett, Donald W. Jennings, Edward M. Klasny, Robert L. Mantle, Earle W. Parcels, Jr., Thomas R. Riegling, John F. Roznowski, Raymond Spinola, Charles Russell Trenary, Jr., Morris M. Weintraub, Frederick G. Wilkinson, Jack K. Wirth. *Grand Rapids*: Kenneth H. Nelson. *Holland*: Leo C. Maihofer. *Plymouth*: Roland A. Lutz. *Saginaw*: Randall R. Robson, Thomas Justin Thompson. *Van Dyke*: Bernard H. Nathanson.

MINNESOTA—*Minneapolis*: Francis J. Doherty, David S. Eiger, Wallace A. Erdahl, Folmer Strandskov. *St. Paul*: Boyd D. Holcomb.

MISSOURI — *Joplin*: Donald L. Clarkson, Charles W. Dymott, James C. Muskrat. *Kansas City*: Wallace F. Grundenman, E. Frederick Halstead, Marvin Jay Max, Warren L. McCook, Charles Russell Overfelt, John A. Ross, Harry Louis Smith, Austin H. Turney, Jr., Carroll J. Weltsch. *Maryville*: John H. Koffman. *St. Louis*: Val. J. Beckerle, James Daniel Sullivan, Richard Bernard Wesselmann.

NEBRASKA—*Lincoln*: Marilyn E. Kranau, Francis R. Rheinschild. *Omaha*: Joseph F. Ficenec, John W. Fritz II.

NEVADA—*Las Vegas*: John A. L. Howe. NEW HAMPSHIRE—*Manchester*: Russell T. Provost.

NEW JERSEY—*Asbury Park*: Ben R. Abbott. *Irvington*: Leon Newler. *Newark*: Elmer E. Granitzki, Jerome Pill, Joseph E. Saunders. *New Brunswick*: Simon Mass. *Perth Amboy*: Louis A. Chismar. *Westfield*: Bernard Weinblatt. *West New York*: Arthur Ferdinand.

NEW MEXICO—*Albuquerque*: Linden H. Price, Gilbert Stephens Sanchez. *Hobbs*: Wesley E. Holt.

NEW YORK—*Brooklyn (N.Y.C.)*: Irving Gottlieb, Solomon Margulies. *Flushing*: Louis Geller. *Manhattan (N.Y.C.)*: John Acanfora, Robert A. Aerenson, Lawrence D. Bernhardt, George Wheeler Carnrick, David Cohen, Edward C. Davis, Frank A. Digaetano, Mario M. Di Gia, Morris D. Fendell, Felix Favorito, Marvin Freeman, Isaac H. Friedman, Edward S. Havasy, Edward Prescott Hooper, Jr., Melvin S. Kantor, Donald Krell, Raymond C. Laufver, Arthur F. Leipziger, Solomon Levine, Abraham M. Raboy, Bernard M. Rodin, Marvin Rushkoff, Emanuel Saxe, Sidney Sills, Robert William Taylor, Vincent M. Tepedino, Julius Wagman, George W. Wilson, II. *Port Chester*: Maurice Singer. *Scarsdale*: Samuel S. Raines. *Westbury*: Jordan Fishbane.

NORTH CAROLINA—*Fayetteville*: Irving

Efrim Fogler. *Winston-Salem*: James Lewis McKenzie, Sidney Clay Whiteheart.

NORTH DAKOTA—*Grand Forks*: Jerome E. Daily.

OHIO—*Ashtabula*: Wayne F. Stone. *Cleveland*: James Byrne, Roger F. Knittel. *Dayton*: Jack L. Wright. *Toledo*: Walter C. Bower, Charles T. Brumbach.

OKLAHOMA—*Ardmore*: Clifton Eugene Tidd. *Oklahoma City*: Garold Bowlby, Robert R. Robinson.

OREGON—*Eugene*: Robert H. Lemon. *Medford*: Lavern C. Watrud. *Portland*: Charles E. Collins. *Salem*: Milton D. Meador.

PENNSYLVANIA—*Bristol*: Henry J. Lopez. *Erie*: Donald E. Beal, Charles W. Brown. *New Castle*: Anthony S. Bertucci. *Philadelphia*: Anthony F. Berenato, Irving Feldbaum, Frank P. Rauch, Jr., George Aram Vishabazoon, Benjamin L. Winderman. *Pittsburgh*: Alvin Ross Arrick, James K. Critchlow, Donald R. Inglis. *Pottstown*: Andrew J. Darocha. *University Park*: Anthony J. Mastro.

SOUTH CAROLINA—*Spartanburg*: Robert J. Gilman.

TENNESSEE — *Chattanooga*: Lowry Lamb, Jr. *Kingsport*: Robert Earl Cox. *Knoxville*: Kyle McNutt Hart.

TEXAS—*Corpus Christi*: Wm. G. Buzbee, Charles Robert Mynard. *Dallas*: Murray Phillip Benenson, William Ervin Elgan, Robert Yates Evans, R. Paul Nelson, Ray Lusk Pollock, Raymond Rude. *Fort Worth*: Rayble E. Jones, Jr. *Houston*: Catarino Gonzalez, Jr., James Roland Graham, Daniel Cole McQueen, David L. Miller, Charles Norman Nobles, Winston J. Staehlin, Gabor George Varady. *Paris*: Dorothy L. Crouch. *San Antonio*: George F. Malacek, S.M.

UTAH—*Ogden*: Claire A. Nielsen. *Provo*: Sidney S. Gilbert. *Salt Lake City*: Erland Frederick Hansen, Rodney Lee Mellor.

VIRGINIA—*Norfolk*: Charles L. Hollowell.

WASHINGTON — *Seattle*: Otto Robert Enger, Gerald W. Jensen, John H. King, John R. Mahoney, Theodore J. Ross.

WISCONSIN — *Milwaukee*: Thomas F. Kelly.

PUERTO RICO—*Ponce*: Pedro E. del Toro Torres. *San Juan*: Raymond J. Gonzalez.

THE CERTIFIED PUBLIC ACCOUNTANT

membership bulletin of

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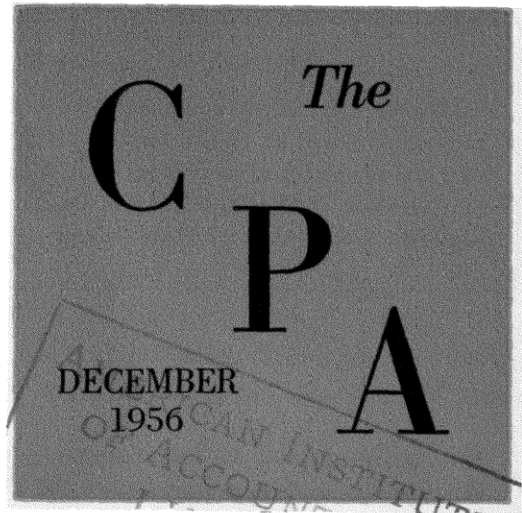
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IN THIS ISSUE:

*AIA
Committee
Meetings*



News Notes of the Month

LAWYERS and CPAs are trying to prevent litigation of any future differences between members of the two professions. It is hoped that such disputes may be settled by friendly negotiation. A plan for this purpose is described in a joint report of committees of ABA and AIA about to be published—providing for reactivation of the National Conference of Lawyers and Certified Public Accountants with new personnel, and the formation of similar local groups. (See JofA, Jan.57, p.53.)

AIA and the California Society of CPAs have decided not to appeal the latest California court decision in the *Agran case*, involving Treasury practice. Reasons are discussed in an editorial in the December *Journal of Accountancy*.

Pension fund tax equality for CPAs and others who are self-employed will be pushed vigorously in the next Congress. President Eaton has appointed a special committee to or-

AIA NAME CHANGE EXPECTED

With only a few votes remaining to be tabulated as this issue went to press, a count of 18,859 for and 1,039 against made it certain that the proposed name change of AIA to the American Institute of Certified Public Accountants would receive the necessary support of two-thirds of those voting.

ganize support for legislation like last year's *Keogh-Jenkins bills*. William M. Black is chairman.

“Accountants can be invaluable in attacking the school cost problem,” says *Architectural Forum*. To meet the challenge, a new AIA committee on public school accounting is being organized. The architect’s magazine has urged preparation for the school bond voter of “cost figures which are easy to understand and difficult to distort.”

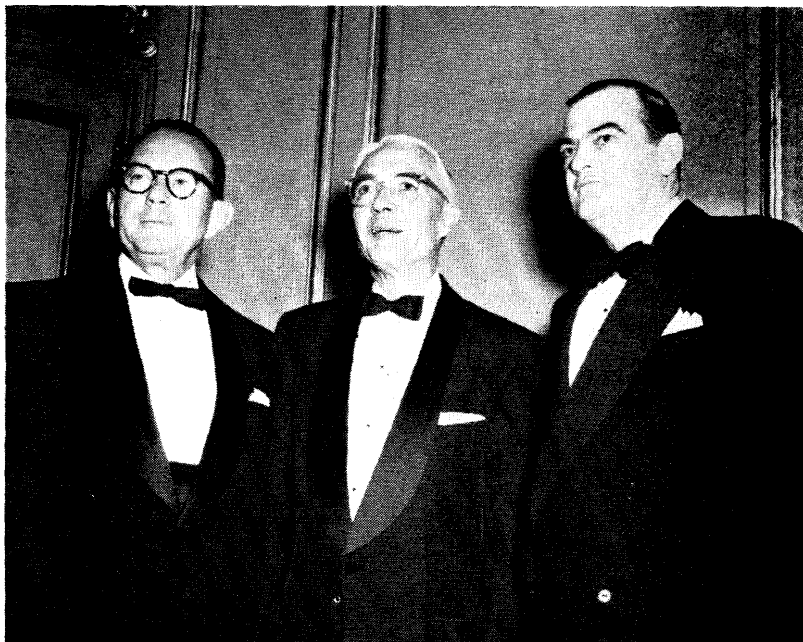
“The American Institute of Accountants has rendered a valuable public service in the attitude that the organization has taken with respect to improvement of our tax laws, pointing out those things that operate adversely against both government and taxpayer.” This tribute, following recent testimony of Wallace M. Jensen, AIA tax committee chairman, came from one of the top tax experts in Congress, Wilbur D. Mills of Arkansas, chairman of the Internal Revenue Taxation Subcommittee of the tax-writing Ways and Means Committee. Principal AIA recommendations were reported in *JofA*, Nov.56, p. 16.

CPAs can help banks improve internal controls, assist in directors’ examinations, and audit financial statements of banks for reports to stockholders. Banks are not always aware of the distinctions among these various types of services. Officials of AIA and National Association of Bank Auditors and Comptrollers have discussed possible co-

operative educational programs. CPAs who audit banks will find helpful a recent manual, *Audit Counseling Service*, which may be obtained from NABAC, 38 So. Dearborn St., Chicago 3, Ill.

Rules of *professional conduct* will be interpreted and given specific applications in a series of opinions from the AIA ethics committee to be published in *The CPA*. First two in the series, dealing with distribution of newsletters and pamphlets and with responsibility of a member for acts of a third party in his behalf, are published in this issue, p. 10.

Annual Institute "committee days" in Chicago Nov. 28-Dec. 1 drew a record attendance of about 250 members of 34 committees. For details, see p. 6.



At AIA "committee days": AIA President Marquis Eaton, U. S. Budget Director Percival Brundage, and Illinois Society President Richard Claire.



from the
Executive
Director's
Desk

WHAT is the outlook for the individual practitioner? Are forces unleashed by the expanding economy driving CPAs into larger practice units, so as to encourage specialization and diversification of services to clients? These questions are common topics of off-the-record conversations at meetings of certified public accountants. They cannot be answered without more fact-finding research and analysis than has yet been undertaken.

Perhaps it would encourage such research to frame a few more specific questions:

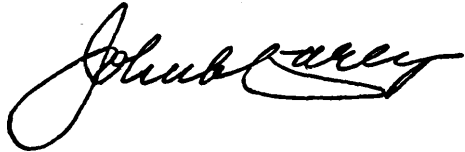
1. Can a sole practitioner, without partners or employees, but seasoned by years of experience, expect referrals from fellow practitioners if he specializes in one area of accounting?
2. Is it reasonable to assume that a practitioner without partners or staff, who has only recently acquired a CPA certificate and has limited experience, can expect hard sledding if he tries to specialize? Is he not likely at first to get only "general-practice" engagements from very small businesses, at minimum fees? If he does all the work himself, won't he have to limit his fees to junior

rates for much of his time? Shouldn't he be able to use his own time to better advantage and grow more rapidly if he can afford to invest in staff assistants? Isn't it fair to assume that if he joins forces with one or more partners, the group should be able to offer a wider variety of services to clients, and meet the needs of the firm's more successful clients?

3. Is the lone CPA who tries to increase his income simply by adding volume likely to be trapped in the squirrel-cage of long hours at low rates, precluding time for self-improvement and careful analysis of clients' needs?

How helpful it would be to be able to answer these questions on the basis of facts derived from the actual experience of practitioners who have tried the different approaches! Shouldn't the accounting profession undertake continuous research in the economics of its own practice as other professions have done?

Meanwhile, if readers care to offer answers based on personal experience, I'll report them in this column.

A handwritten signature in black ink, reading "Hub Carey". The signature is written in a cursive style with a large, looping initial "H" and a long, sweeping underline.

AIA Committee Days

THE largest number of Institute committees and committee members ever assembled met in Chicago November 28-December 1 to discuss plans for Institute activities in the coming year. About 250 members of 34 committees were present.

A highlight of the occasion was a dinner November 29, at which the principal speaker was the Honorable Percival F. Brundage, Director of the United States Bureau of the Budget and past president of the Institute. In addition to committee members, the dinner was attended by about a hundred guests, including business executives, educators, representatives of other organizations, and members of the Illinois Society of CPAs.

In the course of his remarks, Mr. Brundage estimated that there are now more than one thousand CPAs employed by the federal government. "I would like to see more CPAs in government," he said, "because our training can make significant progress possible in obtaining more effective government for your tax dollars." He also paid tribute to a group of AIA members who had given assistance to the Budget Bureau last summer by reviewing plans for strengthening its management.

Also honored at the banquet were Lloyd Morey, CPA, Auditor of Public Accounts of Illinois, and Elbert S. Smith, recently elected to that of-

fice, who will succeed Dr. Morey on January 1.

In his welcoming remarks, AIA president Marquis G. Eaton noted that the committees represented at the meeting "cover a wide range of activities. One committee, for instance, is studying our federal tax structure very closely. Another is wrestling with our code of professional ethics in an effort to broaden it to cover many problems facing us today that were virtually unknown to us ten years ago. All of the committees, in one way or another, are helping to chart a course for the Institute which will enable its members to render a better and broader service to the public."

Committee Activities

Most of the committees met for at least a full day, several met on two days, and two of the meetings lasted over into a third day. On each of the four days during which meetings were held there was a group luncheon at which members of all the committees could get together.

While many of the committees were dealing with plans for action which will be announced later, a number of significant policy decisions can be reported:

The executive committee approved requesting state society presidents and the advisory committee of local practitioners for advice on a proposal to establish a department of practice management in the Institute staff. The objective

would be "to provide a continuous flow of factual information, opinion, and advice which would help CPAs in managing their practices efficiently, and in maintaining a sound financial position."

Professional Ethics

Four new rules of professional conduct and two modifications of existing rules received tentative approval from the committee on professional ethics. The proposed changes will be sent for comment to state societies and state boards of accountancy. If no serious objections develop, it is expected that in accordance with precedent they will eventually be submitted to the membership for approval.

The committee on accounting personnel approved plans for a special four-day training session at Allerton Park near Urbana, Illinois, April 19-22. Intensive sessions will be devoted to the subject of accountants' legal liability, with the objective of training instructors who can later give the course in this subject prepared as part of the Institute's continuing education program. The committee urges each society or chapter to ask one of its members to participate.

Members of the committee on national defense discussed possible development of a statement of cost principles for defense contracts with Defense Department officials.

The committee on statistical sampling, meeting for the first time, laid plans for exploring basic problems of

sampling, and issued an appeal for case study material from anyone who has had experience applying statistical sampling techniques to accounting and auditing.

The committee on electronic accounting announced that it will attempt to answer questions relating to problems of auditing and internal control in connection with electronic data processing. Questions should be sent to Perry Mason, Research Associate, AIA.

The natural business year committee made plans for preparation of a kit on the subject, and discussed appealing to the Internal Revenue Service to facilitate changeovers.

State Legislation

The committee on state legislation approved a proposal for possible publication of its form accountancy bill by a commercial legislative service, so that it will be generally available. Chairman Ralph Johns appointed a subcommittee to study legislative aids for state societies.

The committee on professional statistics discussed results of the questionnaire sent out last summer, and decided that additional cross-tabulations are needed before results are published. No new study is planned for the immediate future.

Former AIA president J. William Hope was elected chairman of the trial board. Two cases were heard and, in accordance with the by-laws, findings will be published in the next issue of *The CPA*.

AIA COMMITTEE MEETINGS

CHICAGO—Nov. 28—Dec. 1



Among the committees which met in Chicago was the recently organized committee on statistical sampling, shown at the left. Members present were (l. to r.): Howard F. Stettler, Lawrence L. Vance, Frank T. Weston, Henry P. Hill, Robert M. Trueblood (chairman), R. C. Lytle (staff assistant), Oscar S. Gellein, Russell B. Driver, and Thomas J. Cogan. Below, members of subcommittee on estates and trusts of federal tax committee: Frank T. Rea, Paul F. Icerman, Allen Tomlinson, L. William Seidman, and Maxwell A. H. Wakely, the chairman of the AIA subcommittee.



At left, members of committee on professional systems: A. D. Benson, Curtis J. Cadenhead, James E. Hamm (chairman), Institute staff assistant Roderic Parnell, and S. Wedeberg.



Shown at head table at dinner on Nov. 29 are: Miss Jeannette M. Cochrane, executive director of the Illinois Society; John B. Inglis, AIA treasurer; Paul F. Johnson, Illinois Society secretary-treasurer; R. Warner Ring, AIA vice president; Harry L. Grossman, Illinois Society vice president; L. H. Penney, AIA vice president; U. S. Budget Director Percival F. Brundage, who was chief speaker at the dinner; Marquis G. Eaton, AIA president; Richard S. Claire, Illinois Society president; Robert J. Murphey, Illinois Society executive vice president; Donald P. Perry, AIA vice president; C. Alvin Koch, Illinois Society vice president; William S. Deeming, AIA vice president; and John L. Carey.



Opinions of the Committee on Professional Ethics

One of the principal functions of the American Institute of Accountants committee on professional ethics is to provide guidance to the membership in following the by-laws, rules of professional conduct, and decisions of the Institute and Council. To make available a reference source of committee opinions, a series of opinions numbered without reference to relative importance, will be published in *The CPA*, beginning with this issue. These opinions may be amended from time to time, and additional opinions will be issued as the committee proceeds in its work and as the needs of the public and the profession evolve.

Opinion No. 1:

Newsletters, Publications

Impropriety of member furnishing clients and others with tax and similar booklets prepared by others and imprinted with firm name of member.

In the opinion of the committee, imprinting the name of the accountant on newsletters, tax booklets or other similar publications which are prepared by others and distributed by a member of the Institute does not add to the usefulness of the material to the reader. Use of the imprint, in the committee's opinion, is

objectionable in that it tends to suggest (and has been interpreted by many as a means of) circumventing Rule 10 of the rules of professional conduct, which says that a member shall not advertise his services.

It is the conclusion of the committee that distribution of newsletters, tax booklets or similar publications, prepared by others, when imprinted with the name of the accountant furnishing the material, is not in the interest of the public or the profession.

The committee sees no grounds for objection to furnishing material of the type indicated to clients or others provided that such material does not carry the imprint described and provided that such distribution is limited in a manner consistent with Rule 7.

Opinion No. 2:

Responsibility of Member for Acts of Third Parties on His Behalf

Member may not carry out through others, acts which he is prohibited from directly performing under Institute by-laws and rules of professional conduct.

A member should not cause others to carry out on his behalf either with or without compensation acts which, if carried out by a member, would place him in violation of the Institute's rules or by-laws. To illustrate

this principle, the committee has ruled that a member would be in violation of the Institute's rules of professional conduct if, with his approval:

1. A nonprofit organization in recognition of accounting services which had been rendered by a member placed without charge an advertisement of the firm in the organization's bulletin;

2. A bank announced to its depositors that a CPA would be at a desk on the main floor of the bank at certain hours and days during the tax season to assist customers in preparation of tax returns for a fee;

3. A trade association in its official publication announced that a certain certified public accountant, member of the Institute, who long had served the association as independent accountant, was especially well qualified and available to assist association members in dealing with accounting and tax problems peculiar to the industry.

Professional Notes

Brokerage Booklet. *Audits of Brokers or Dealers in Securities* outlines procedures which should help the independent CPA examining the financial statements of a broker or dealer in securities or commodities.

The booklet, sent recently to all AIA members, was prepared by the committee on auditing procedure

Treasury Cards

Form 23A, for renewal of Treasury Department enrollment cards, is now available from the IRS.

Many cards will expire in 1957 because the present five-year limitation on enrollment cards was initiated in 1952. Application for renewal of enrollment may be made at any time during a 24-month period, beginning one year before and ending one year after expiration date.

with the assistance of a special advisory committee of specialists in brokerage audits who prepared the original draft of the booklet and aided in putting it into final form. Harold V. Petrillo was chairman of the special committee; other members were William T. Hazelton, M. Tyndall Hiatt, Christopher H. Knoll, Frederick S. Todman, and Frederick W. Wulfinf.

Additional copies of the booklet are available at \$1.50 each.

AIA Insurance Trust. Only about four hundred of the firms participating in the Institute's insurance program have failed to accept the \$20,000 schedule made available in 1954. Firms still on the old \$10,000 schedule, which are eligible for the increased coverage, may change schedules, effective Jan. 1, 1957, by noti-

fyng the Hanover Bank, Trustee, American Institute of Accountants Insurance Trust, 70 Broadway, New York 15, N.Y.

Firms which first became eligible for coverage under AIA's insurance plan after Oct. 1 of this year may also be enrolled in the \$20,000 schedule in time for coverage beginning Jan. 1.

Firms which were eligible before Oct. 1, but did not join the plan prior to that date, must wait until the next general enrollment.

Total coverage as of Oct. 1, 1956, was \$161,194,400 on 14,776 lives in about twenty-five hundred firms.

CPAs Elected to Office. Among the CPAs elected to public office last month were:

Jackson L. Boughner, elected to the Illinois Senate; John L. O'Brien, re-elected to the State of Washington House of Representatives; Harold E. Bacon, elected mayor of the Borough of Mountain Lakes, N.J.

AIA Staff Change. Eli Gerver, who has been acting director of the Institute's taxation department since the resignation of Albert H. Cohen, has now been named director of taxation. A CPA who also has a Master of Laws degree from New York University, Mr. Gerver joined the Institute in 1955.

Members in the News. James A. Councilor, Washington, D.C., has been appointed controller of Presi-

dent Eisenhower's second inaugural committee . . . Troy G. Thurston of Geo. S. Olive & Co., Indianapolis, has been named to replace Maurice Austin on an advisory group assisting the Subcommittee on Internal Revenue Taxation of the Ways and Means Committee in a study of federal tax law administration. Mr. Austin withdrew because of prior commitments . . . Two other AIA members are also serving on a citizens advisory group assisting the subcommittee in making a study of the Revenue Code's subchapters dealing with partners and partnerships. They are: Abner Hughes of Barton, Pilié, Hughes & Jones, New Orleans, and Harry Janin of Eisner & Lubin, New York . . . Donald W. Bacon has been appointed Regional Commissioner of Internal Revenue for the Boston region, which comprises the six New England states . . . 75-year-old August Hiller has been appointed city auditor of Huntington, W. Va.

Obituaries

ROBERT M. BARNVILLE (AIA '55), 48, Patterson, Teele & Dennis, New York, N.Y. October 18.

S. B. BURNETT (AIA '50), 48, American Pipe and Construction Co., South Gate, Calif. June 11.

ROSCOE C. CLARK (AIA '33), 79, own account, Memphis, Tenn. October 4.

WILLIAM F. COLBY (AIA '52), 56, Second National Bank & Trust Co., Saginaw, Mich. October 5.

EDWARD H. COPES (AIA '49), 61, own

account, Miami, Fla. October 5.
 EDWIN NEIL CROSIER (AIA '37), 46, Sharon, Penna. September 22.
 SIDNEY DASH (AIA '52), 34, I. Kahlow-sky & Co., Camden, N. J. March 14.
 E. B. EMENHISER (AIA '26), Cities Service Oil Company, Bartlesville, Okla. June 1.
 WILLIAM C. FITTS (AIA '53), 59, Anderson-Nichols & Co., Boston, Mass. October 26.
 WILLIAM S. GRAF (AIA '54), 30, Arthur Young & Co., New York, N. Y. November 2.
 WILLIAM A. GRANT (AIA '54), 34, Aldridge, Bordon and Jones, Montgomery, Ala. October 20.
 RAYMOND O. HILL (AIA '44), 57, Cannon Electric Company, Los Angeles, Calif. November 2.
 RALPH K. HYDE (AIA '13), Brookline, Mass. August 14.
 CHARLES WILLIAM JONES (AIA '52), 46, Aldridge, Bordon and Jones, Mont-

gomery, Ala. October 20.
 SAMUEL KANARVOGEL (AIA '36), 69, New York, N.Y. December 21, 1955.
 JOHN H. KLEIN (AIA '45), 60, Ada, Okla. August 18.
 ALBERT F. MACK (AIA '44), 52, Laguna Beach, Calif. November 4.
 ALEXANDER McIVER (AIA '50), 49, Division of Audits, General Accounting Office, Washington, D.C.
 PAUL F. MEMHARDT (AIA '45), 56, St. Louis, Mo. September 22.
 MEYER SMOLOWE (AIA '50), 53, own account, New York, N.Y. September.
 ELLIS M. SOWELL (AIA '54), 54, Texas Christian University, Fort Worth, Texas. September 12.
 HARRY E. TAYLOR (AIA '42), 70, Harry E. Taylor & Co., Chicago, Ill. March 26.
 ABRAHAM WERTHEIM (AIA '52), 42, Wertheim, Cogan & Epstein, New York, N.Y. February 29.
 GEORGE C. WIMMER (AIA '43), 63, South Euclid, Ohio. October 13.

Applicants Recommended for Membership

The committee on admissions recommends admission of 203 applicants. They do not become members until voted upon by the Council and declared elected by the president. If protest is to be made against any applicant, it should reach the Institute on or before January 11, 1957.

ALABAMA—*Anniston*: Jerold J. Morgan.
Linden: James L. Hudgens, Jr.
 ARIZONA—*Douglas*: J. Richard Heisey.
Phoenix: Hugh L. Forrest.
 ARKANSAS—*Marianna*: Charles Turner Hopkins.
 CALIFORNIA—*Fresno*: Joan H. Mason.
Hollywood: Alfred George Rothman.
Larkspur: Peter James Wikel.
Long Beach: Arkie C. Hauck, Jr.
Los Angeles: Michael John Donohoe, Donald C. Lahn, Allan W. Marshall, Frank E. O'Brien, Fred A. Simpson, Norman Price Snyder, Daniel Wainess.
Lynwood: James L.

Hall, Jr. *San Diego*: Edward K. M. Sue.
San Francisco: Gene H. Englund, Bo-Wilhelm Skarstedt.
Soulsbyville: William Freeze.
Van Nuys: Richard L. Artz.
 COLORADO—*Denver*: Carroll A. Rice.
 CONNECTICUT—*Bridgeport*: Paul Kollar, Jr., Edwin Louis Mitchell, Robert L. Nishball.
Hartford: Edmund Carter, John Roy Seagren, Richard F. Vancil.
Waterbury: Guy E. Nardelli.
 DELAWARE — *Wilmington*: Mark H. Goldman.
 DISTRICT OF COLUMBIA—Edward San-ford Alexander.

FLORIDA—*Miami*: James P. Demos, Richard N. Lundgren, Stanley D. Mesh, Irving A. Simson. *Miami Springs*: James R. Griffin. *St. Petersburg*: Max Marshall Strawn. *Winter Garden*: George-Gordon Bond.

GEORGIA—*Albany*: William Eugene Boyett. *Atlanta*: Lester H. Hughes, Jr., Joseph H. Kennedy.

ILLINOIS—*Chicago*: Clayton W. Anderson, Sanford A. Bank, J. Richard Beck, Herbert A. Blum, James C. Etling, Joseph M. Hand, George T. Ramusack. *Rockford*: Lonnie L. Webb.

INDIANA — *Indianapolis*: Robert B. Wright. *Terre Haute*: Eugene E. Clayton.

IOWA—*Marshalltown*: Arne J. Grundstad.

KANSAS—*Garden City*: Robert M. Wixson. *Wichita*: Joan Bates.

KENTUCKY—*Hazard*: Charles Joseph Mellott. *Lexington*: Charles E. Coyle. *Louisville*: Kenneth L. Clancy.

LOUISIANA—*New Orleans*: John Malcolm Godfrey.

MARYLAND — *Baltimore*: T. Carroll Beach, Jr., Irving Lee Saltz, E. Ernest Woollen. *Silver Spring*: Bernard Butkow.

MASSACHUSETTS — *Atleboro*: Robert Emmett O'Brien. *Boston*: Albert B. Dean, Norman Levitt, George Teloian. *Dorchester*: Arnold London.

MICHIGAN—*Bay City*: Wilson B. Ward. *Detroit*: Arthur W. Ackerman, Jr., Eli Broad, John H. MacDonald, Irving Bobry Morof, Thomas F. Murray, Charles R. Oakman, Leonard Eugene Palis, Gerald Sampson, Richard A. Schaab, V. John Svagr, Donald E. Visconti, Frank V. Wierzbicki. *Grand Rapids*: Joseph P. McCormick. *Jackson*: Kenneth F. Hall.

MISSISSIPPI—*Biloxi*: Warren G. Powell. *Brookhaven*: Jerry H. Jones. *Meridian*: Brad B. Bailey, E. Howard Lamar.

MISSOURI—*Joplin*: Duane D. Lawellin. *Kansas City*: John J. Franke, Jr. *St. Louis*: Perry Roy Beedle, Arthur Frank Boettcher, Jr., Fred C. Moellenhoff, Stephen B. Mudd, Henry C. Ridenhour,

George J. Rosenberg, Leo Theodore. NEBRASKA—*Omaha*: Carroll E. Fredrickson.

NEVADA—*Reno*: Thornton Leroy Audrain.

NEW JERSEY—*Lakewood*: Edward S. Basch. *Maplewood*: Samuel Daniels. *Newark*: Chris Campos, Martin B. Grossbarth, Jerry L. Wizon. *Paterson*: Morris Merker. *Westfield*: James W. Wiessel.

NEW MEXICO—*Albuquerque*: Harvey G. Gohlke, George P. Pulakos, Brance B. Raglin, Jerome P. Rhodes.

NEW YORK—*Cedarhurst*: Robert Heft. *Jamestown*: Clair E. Johnson. *Manhattan* (N. Y. C.): Arthur Francis Birmingham, Eugene J. Donohue, Irving Gross, Julius Held, Jack H. Kivetz, Frank Lionel, Raymond J. McPartland, Martin Fred Mertz, Norman Morett, Fred W. Replogle, Philip Rodin, Wallace D. Stern, Edmund A. Stockman. *Rensselaer*: Marshall Robert Lustig.

NORTH CAROLINA—*Charlotte*: Robert Glasgow Sanford. *Clinton*: James A. Stewart, Jr. *Dunn*: John E. Ingraham. *Greensboro*: Thomas Fee. *Morganton*: Donald E. Smith. *Winston-Salem*: George W. Fulk, Robert Eugene Reid.

OHIO—*Ashtabula*: Charles F. Sheppard. *Cincinnati*: Lawrence S. Glaser, Jr., Harvey E. Meyer. *Cleveland*: Harry A. Baumgarten, Robert A. Burkhart, Edward P. Murphy, David H. Shook. *Columbus*: Paul E. Redmond. *Dayton*: Ronald G. Campbell. *Lima*: Glen V. Davidson. *Toledo*: William Ira Barkan, Charles Hoag.

OKLAHOMA—*Elk City*: George David Herron.

OREGON—*Portland*: Richard C. Hire, J. Eugene Popma, Gordon V. Rogers.

PENNSYLVANIA—*Norristown*: Forrest C. Irick, Jr. *Philadelphia*: Albert B. Holcombe, Herbert Pressman, Bernard Sprecher. *Pittsburgh*: C. Harold Cholak, Charles V. Emory, Donald O. Lewis.

SOUTH CAROLINA—*Mauldin*: Alan A. Fenton.

TENNESSEE—*Johnson City*: Charles Ed-

win Parker, Henry L. Sienknecht. *Memphis*: Jack T. Chism.

TEXAS—*Abilene*: Arthur Darrel Knight. *Austin*: James C. Richards. *Corpus Christi*: Charles W. Blanpied. *Dallas*: Thomas O. Bailey, Lee Roy Brown, Jr., Brady Richmond Justice, Jr., Daniel C. Powell. *Dumas*: Rudolph Merton Keeney. *El Paso*: Harry J. Keibler. *Houston*: Patrick B. Collins, Robert G. James, Fred Murphy Jones, David B. Powell, Stephen Ray Wood. *Longview*: Everett F. Males. *Midland*: James Russell McAdams, Harry Wright Stanford. *San Angelo*: Al Joe Hunt. *San Antonio*: Amado Cavazos. *Wichita Falls*: Clinton C. Armstrong.

UTAH—*Ogden*: Royal V. Coburn. *Salt Lake City*: Byron S. Gibbs, Douglas

Spencer Nilson, Lincoln Schofield Pay, Frank K. Vance.

VIRGINIA—*Arlington*: Joseph C. Edwards. *Charlottesville*: A. G. Colley, Jr., Richard Van E. Hantzmon. *Norfolk*: John Vincent McPhillips. *Richmond*: C. Philip Avery, Jr., Robert L. Buchanan, Jr., Gordon Ellis Conti, Robert A. Gary, III, Charles M. Terry, Jr.

WASHINGTON—*Poulsbo*: James A. Brix. *Seattle*: Earl W. Dunning, Wayne A. Mowry. *Yakima*: Claude D. Ludwig.

WEST VIRGINIA—*Charleston*: Robert V. Ellis.

WISCONSIN—*Eau Claire*: Joseph H. Berney. *Kenosha*: R. Robert Houston. *Milwaukee*: Robert R. Ollmann.

HAWAII—*Honolulu*: Merle D. Crow.

BRAZIL — *Sao Paulo*: Douglas J. A. Du Pre.

Firm Announcements

CALIFORNIA—*Alhambra*: Walter R. Purvis announces the opening of his office at 204 North Second St. *Compton*: Frank B. Burdsall, Jr., and Marshall E. Dunn have dissolved partnership as Burdsall, Dunn & Co. The practice will be continued by Marshall E. Dunn at 529 West Rosecrans Avenue. *Encino*: Charles R. Olin, Jr., will be practicing as principal at 17071 Ventura Blvd. *Holtville*: R. Rockwell French announces the opening of an office at Holtville Motor Inn. *Los Angeles*: McKeehan & Lizzi announce the removal of their offices to 3932 Wilshire Blvd. . . . Byrne Marshall announces the removal of his offices to 1127 Crenshaw Blvd. *Pasadena*: Reidar H. Magnussen announces the opening of his office at Suite 513, Securities Bldg., 234 East Colorado St. *Oakland*: Basil E. Graybiel announces the opening of offices at 1404 Franklin St. *Salinas*: Malcolm H. Gilchrist announces the removal of his office to 75 San Miguel Ave. *San Diego*: Clifford H. Asay, Jr., and Joseph J. Kenneally have formed a partnership

as Kenneally & Asay at 4134 Voltaire St. Offices also at 8260 La Mesa Blvd., La Mesa, Calif. *Walnut Creek*: John H. Convery announces the opening of offices at 1638 Main St.

CONNECTICUT — *New Haven*: Maxwell Stock has opened offices at the Paramount Bldg., 354 Whalley Ave.

FLORIDA—*Daytona Beach*: John H. Burgess announces the opening of his office at the Sea Isle Bldg., 100 Broadway. *Lake City*: Ralph Abrahamson and Le Roy T. Knapp have been admitted into partnership with Darby, Darby & Odom, and the firm name has been changed to Darby, Darby, Odom & Company with offices at People's Hardware Bldg. in Lake City and at Stovall Professional Bldg. in Tampa. *St. Petersburg*: W. F. Powers and G. W. Rea, Jr., announce the formation of a partnership under the name of Powers and Rea with offices at 513-15 Florida National Bank Bldg.

GEORGIA—*Brunswick*: C. A. Nickerson and M. F. DeLoach, Jr., announce the formation of a partnership under the

name of Nickerson & DeLoach at the Way Bldg., 1516 Union St. *Macon*: Walker and Meadors announce the admission to partnership of James C. Garrett and the adoption of the firm name of Walker, Meadors and Garrett, at 828 Riverside Drive.

ILLINOIS—Chicago: Rudolph F. Schaefer is admitted as principal in the firm of Alexander Grant & Company at 1 North LaSalle St. . . . Frederick C. Laird and Russell P. Hughes announce the formation of a partnership under the name of Laird & Hughes at 111 West Washington St. Offices also at 164 Du Page St. in Elgin and at 100 Main St. in Aurora. *Mt. Carmel*: Richard F. Capin announces the opening of his office at 427 Market St.

INDIANA—Louisville: Frank S. Walker and John L. Bell announce the dissolution of the partnership of Bell and Walker. John L. Bell announces the removal of his office to Old Charlestown Road, Jeffersonville.

KANSAS—Dodge City: Ross D. Hogue & Company announces the change in firm name to Hogue, Beebe & Trindle and the removal of offices to 309-316 First National Bank Bldg. *Hutchinson*: Pierce, Faris, and Company announce the admission into partnership of Jack E. Sutton, at 412-415 Wolcott Bldg.

LOUISIANA—New Orleans: Judlin H.

Girof has been admitted into partnership with John J. La Porte and Company, and the firm name has been changed to La Porte, Delorme and Girof, at 805 Maritime Bldg.

MARYLAND—Baltimore: Myer Louis Sigel and Oscar Title announce the formation of a partnership under the name of Sigel and Title, at their building, 403 East 25th St.

MASSACHUSETTS — Boston: James C. Doogue has been admitted into partnership with F. W. Lafrentz & Co. at 80 Federal St. . . . Harold Levine has left Patterson, Teele and Dennis and opened offices at 85 Devonshire St. . . . Meahl, McNamara & Co. announce that James W. Holland has become a member of the firm and that Walton Juengst has withdrawn from the firm, at 111 Devonshire St. *Milford*: Michael J. de Cesare announces the opening of an office at 204 Main St.

MICHIGAN—Detroit: Bernstein & Bernstein announce the change in the firm name to Bernstein, Bernstein & Wile, the admission into partnership of Jack Bednowitz and Herbert Goldstein, and the removal of offices to 16180 Meyers Road. . . . Frank J. Haggerty and D. Leo O'Connor announce the formation of a partnership and a change in name to Frank J. Haggerty and Company, at 4181 Oakman Blvd.

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