

1950

## Certified public Accountant, 1950

American Institute of Accountants

Follow this and additional works at: [https://egrove.olemiss.edu/aicpa\\_news](https://egrove.olemiss.edu/aicpa_news)

Part of the [Accounting Commons](#), and the [Taxation Commons](#)

---

### Recommended Citation

American Institute of Accountants, "Certified public Accountant, 1950" (1950). *Newsletters*. 84.  
[https://egrove.olemiss.edu/aicpa\\_news/84](https://egrove.olemiss.edu/aicpa_news/84)

This Article is brought to you for free and open access by the American Institute of Certified Public Accountants (AICPA) Historical Collection at eGrove. It has been accepted for inclusion in Newsletters by an authorized administrator of eGrove. For more information, please contact [egrove@olemiss.edu](mailto:egrove@olemiss.edu).

# THE CERTIFIED PUBLIC ACCOUNTANT

*A Bulletin of the American Institute of Accountants*

JANUARY 1950

## *Expanded Information Service for Institute Members*

A Technical Information Service has been organized in the research department at the Institute's headquarters office through which members may obtain prompt answers to practical questions on accounting and auditing and related subjects, which may arise in the course of their practice. Questions on taxation, however, cannot be answered.

Any member of the Institute may write his question to "Technical Information Service" in care of the Insti-

tute. A staff assistant has been assigned to devote full time to handling such questions. The resources of the library and the research department have been made available to him. If these sources do not provide an adequate answer to any question, the assistance of the appropriate Institute committee or of a well informed member of the Institute, will be sought by the quickest means of communication practicable. Emphasis will be placed on speed in responding to all questions.

No question can be accepted by telephone. Only written questions can be considered. However, in urgent cases replies from the Institute may be communicated to the inquirer by telephone, followed by confirmation in writing.

This new service is one of the first steps to be taken in enlarging the program of activities of the Institute and increasing its services to members, which has been made possible through voluntary contributions of public accounting practitioners and firms represented in the Institute.

An underlying purpose of the new Technical Information Service is to enable individual practitioners and partners of smaller firms, whose opportunities for consultation with other informed practitioners are limited, to obtain an outside, competent opinion on problems which arise in their daily work. Names of members who submit questions will be held in strict confidence.

The service must naturally be limited to transmittal of the best available in-

formation or opinion on each question under consideration. The Institute will not be able to accept responsibility for the soundness of any views expressed. The function of the Technical Information Service is simply that of a clearing house, but every reasonable precaution will be taken to avoid the dissemination of inaccurate information or of any opinion that is not authoritative.

It is hoped that the service will prove to be of practical value to a large number of the members of the Institute.

### **NEW WAGE-HOUR RULES AFFECT ACCOUNTANTS**

Revised regulations under the federal Fair Labor Standards Act, proposed last fall, will become effective January 25. Of special interest to accountants is an increase from \$200 a month to \$75 a week in the minimum salary required for exemption from the Act as a "professional." Many staff accountants, formerly exempt, will now be subject to its provisions. The American Institute protested this proposed change in the regulations without success. Its committee on wages and hours, with the assistance of the Institute counsel, recently drafted a letter to firms and practitioners represented in the membership, describing the new requirements and methods of complying with them. The revised regulations will be discussed in greater detail in an editorial in *The Journal of Accountancy* for February.

### **A PERSONAL INVITATION TO EVERY ELIGIBLE CPA**

Every eligible certified public accountant should receive a personal invitation to apply for admission to the Institute. This is one of the objectives of the membership committee. It requires cooperation of all present members. Committee chairman Coleburke Lyons recently said: "To speak effectively for the certified public accountants in the United States, it is desirable that the American Institute have in its membership all who can meet the admission standards." The committee has sent a questionnaire to all firms represented in the Institute, requesting names of certified public accountants who have been invited to apply for membership.

### **PUBLIC RELATIONS COMMITTEE**

The executive committee of the Institute has approved a change in the name of the public information committee to public relations committee.

**THE CERTIFIED  
PUBLIC ACCOUNTANT**

Monthly bulletin of the American Institute of Accountants, 270 Madison Avenue, New York 16, N. Y.

**OFFICERS**

*President*.....J. HAROLD STEWART  
*Vice Presidents*.....MAURICE AUSTIN  
                                  GEORGE O. CARLSON  
                                  JAMES I. KELLER, JR.  
                                  MAURICE H. STANS  
*Treasurer*.....WARREN W. NISSLEY  
*Executive Director*.....JOHN L. CAREY

**INSTITUTE HONORED BY  
STATE SOCIETY PROGRAMS**

Two state societies of certified public accountants recently arranged meetings to acquaint their members with current activities of the American Institute.

On December 6, in Newark, the New Jersey Society repeated its American Institute Night program which has become an annual event. Following a banquet, President Marshall M. Thomas introduced J. Harold Stewart of Boston, president of the Institute. Mr. Stewart's address, emphasizing services of the accounting profession to industry and the public, was broadcast by Radio Station WAAT, Newark, in a half-hour program.

John L. Carey, executive director of the Institute, discussed briefly the recent growth of the profession and its future outlook. Percival F. Brundage, immediate past president of the Institute, and Edward A. Kracke, immediate past president of the New York State Society of Certified Public Accountants, were introduced. Several members of the Institute staff enjoyed the traditional hospitality of the New Jersey Society. Other guests included accounting students at schools of business administration.

On December 12, President Stewart and Samuel J. Broad of New York, chairman of the committee on accounting procedure, addressed the New York State Society of Certified Public Accountants in New York City. Mr. Stewart discussed prospects of more effective cooperation between certified public accountants and lawyers, the Institute's expanded public relations program, and protection of existing requirements for the CPA certificate in various states. Mr. Broad explained how the Institute

## Monthly News Letter

● **Diverse Opinions on Social Security.** A recent poll of Institute members in practice as partners or principals, on the advisability of submitting an amendment to the Social Security Bill, HR 6000, which would exclude self-employed certified public accountants from the old-age benefits and list them among recognized professions, has produced to date 1334 votes in favor of such an amendment, and 1006 opposed. In view of this close division of opinion, it is a question whether the executive committee will take any action.

● **Auditing Statements To Be Summarized.** A restatement or codification of the 24 Statements on Auditing Procedure issued to date will be drafted by a subcommittee recently appointed by the committee on auditing procedure.

● **Internship Training Grows.** Several hundred students in at least 25 schools of business administration are obtaining their first public accounting experience as temporary employees of accounting firms of various size during the current "busy season." Rapid spread of the internship idea is reported by John W. McEachren of Detroit, chairman of the Institute committee on education. The committee believes that this program benefits both students and practitioners.

● **Personnel Reference Service.** A new service is planned to help public accounting firms and practitioners locate desirable candidates for employment among college graduates who have taken the Institute's personnel-selection tests, and to assist these graduates in meeting potential employers. This activity will be under the direction of the Institute committee on personnel reference, of which Thomas D. Flynn of New York is chairman.

● **New Savings and Loan Booklet Proposed.** Plans for revising the booklet *Audit of Savings and Loan Associations by Independent Public Accountants*, published in 1940, are being considered by committees of the Institute and the United States Savings and Loan League. One of the more important sections of the new edition, it is believed, will refer to procedures for auditing improvement loans. This project was discussed at the recent annual meeting of the Savings and Loan League, in Chicago, where the Institute was represented by George P. Ellis.

● **Spring Council Meeting.** The Institute council will hold its spring meeting at The Greenbrier, White Sulphur Springs, West Virginia, April 15-20. Committee chairmen are invited.

● **New Loose-Leaf Membership Directory.** A new directory including alphabetical and geographic lists of members, and names of firms and individual practitioners represented in the Institute, will be mailed to the membership soon. This directory is in the form of a pamphlet punched for insertion in a standard post binder which the Institute is providing this year for continuous use. Other publications including the text of Institute by-laws and rules of professional conduct, lists of officers and committee members, and committee reports to council will also be punched to fit the binder.

● **Annual Meeting Papers.** Technical papers presented at the Institute's 1950 annual meeting are being published in a pamphlet which members will receive soon. Additional copies may be purchased at a price of \$1.

committee on accounting procedure operates.

Both Mr. Stewart and Mr. Broad were introduced by Ralph S. Johns, chairman of the New York State Society committee on accounting procedure, which arranged the program. Thomas L.

McLeod of Rochester received the society's annual award for distinguished service to the profession in recognition of his exceptional work as president of its Rochester Chapter, particularly in initiating and personally supervising a public relations program in his city.

## REGIONAL PROGRAMS PLANNED

At least five regional conferences of certified public accountants will be held this spring. The timetable follows:

*June 1-3.* Northwest Accounting Conference. Seattle, Washington. Participating states: Oregon, Washington. Seattle Chapter of Washington Society will be host.

*June 4-7.* Southern States Accountants Conference. Edgewater Beach, Mississippi. Participating states: Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, Oklahoma, Tennessee, Texas. The Mississippi and Alabama societies will collaborate as hosts.

*June 7-8.* Central States Accounting Conference. Kansas City, Missouri. Participating states: Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota.

*June 8-10.* Mountain States Accounting Conference. Denver, Colorado. Participating states: Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, Wyoming.

*June 18-20.* Middle Atlantic States Accounting Conference. Wilmington, Delaware. Participating states: Delaware, District of Columbia, Maryland, North Carolina, South Carolina, West Virginia. (Virginia, a member of this group, is not an active sponsor of the 1950 conference because of a conflicting state program.)

Members of the Institute public relations staff usually attend plans meetings held in advance of the conferences and assist state societies with program arrangements.

## ANNUAL MEETING — 1950

Planning for the sixty-third annual meeting of the Institute has begun. Time and place: First week in October, Hotel Statler, Boston. Attendance is expected to set a new record. Boston hotels have already agreed to place almost 1000 rooms at the disposal of Institute members. Richard S. Chamberlain is chairman of the committee on meetings; Joel D. Harvey, chairman of the committee on technical sessions. H. T. Winton, administrative secretary of the Institute, discussed preliminary arrangements with the committees in Boston early in December.

# National Conference of Lawyers and CPAs Revived

On December 19, the National Conference of Lawyers and Certified Public Accountants, consisting of five representatives of the American Bar Association, and five of the American Institute of Accountants, held its first meeting since December, 1945. The Conference group was originally created early in 1944 as a cooperative organization to deal with problems arising between the two professions which affect the public interest. Four meetings were held in the subsequent two years. Conference activities were suspended while the *Bercu* case was litigated in New York.

The decision to revive the Conference resulted from informal discussions between American Bar and American Institute officials last summer.

At the December 19 meeting the Conference announced that its purpose was to settle problems common to the two professions; that it would endeavor to

formulate a statement of principles which would serve as a guide in disposing of disputes; that as soon as possible it would attempt to formulate specific recommendations covering relations between lawyers and certified public accountants in all phases of tax practice.

Co-chairmen of the Conference are David F. Maxwell, Philadelphia, for the American Bar Association, and Percival F. Brundage, New York, for the American Institute of Accountants. Other members are, for the Bar, Thomas J. Boodell, Chicago, Charles D. Hamel, Washington, D. C., Carl McFarland, Washington, D. C., and John D. Randall, Cedar Rapids, Iowa. For the Institute, the members are Maurice Austin, New York, Mark E. Richardson, Washington, D. C., Maurice H. Stans, Chicago, T. Dwight Williams, Oklahoma City. John L. Carey was elected secretary.

## SPEAKING ENGAGEMENTS FOR OFFICERS AND STAFF

*Maurice Austin, vice president:* Maryland Association of Certified Public Accountants, Baltimore, December 20.

*George O. Carlson, vice president:* Los Angeles Chapter, California Society of Certified Public Accountants, December 12.

*Carman G. Blough, research director:* Harrisburg Chapter, Pennsylvania Institute of Certified Public Accountants, December 20.

## TWO UNDESIRABLE BILLS IN STATE LEGISLATURES

Two bills believed contrary to the interests of the accounting profession are already scheduled for consideration by 1950 sessions of state legislatures. A Massachusetts bill, filed for introduction after the legislature convenes, provides for a State Board of Accountancy which would consist of two certified public accountants and two registered public accountants, and for continuing registration of public accountants who take

a special examination. This legislation, sponsored by the Massachusetts Association of Public Accountants, is opposed by the Massachusetts Society of Certified Public Accountants. Georgia Senate Bill No. 123 provides for issuance of CPA certificates, without examination, to registered public accountants with 15 years' experience.

## BRITISH SECRETARY RETIRES

R. W. Bankes, secretary of the Institute of Chartered Accountants in England and Wales, retired at the end of 1949 following more than 20 years on the staff of that organization. Mr. Bankes, who has a wide acquaintance among members of the profession in the United States through his attendance at annual meetings of the American Institute, became assistant secretary of the British Institute in 1929 and secretary in 1935. A barrister by profession, he served with the British armed forces in World War I and for ten years was private secretary to successive Lord Chancellors. Under his direction, the British Institute added 3,000 members.

### GOLDEN WEDDING BELLS

The Institute sends heartiest congratulations to Mr. and Mrs. F. R. Carnegie Steele of Buckminster Road, Brookline, Massachusetts, who observed their fiftieth wedding anniversary on December 23. Mr. and Mrs. Steele were married at the Parish Church in Fulham, West London, England, in 1899. The bridegroom was then engaged in public accounting practice as a Fellow of the Institute of Chartered Accountants in England and Wales. Shortly after coming to the United States in 1905, Mr. Steele joined the public accounting firm of Patterson, Teele and Dennis. He soon became an American citizen, a certified public accountant, and a member of the firm. Situated with the Boston office, he has been the firm's senior partner for several years. In 1909, he joined a predecessor organization of the American Institute of Accountants. A host of friends throughout the accounting profession wish Mr. and Mrs. Steele many more happy anniversaries.

### ACCOUNTANTS AND LAWYERS IN JOINT PROGRAMS

A number of state societies of certified public accountants or their chapters have recently held meetings at which members of the accounting and legal professions discussed topics of mutual interest. Most of these programs were sponsored jointly by the accountants and the local bar association. A few are described briefly below:

Seattle Chapter of Washington Society and Seattle Bar Association were co-sponsors of a dinner meeting on December 6. George V. Powell, Seattle attorney, discussed everyday tax problems in law practice, noting situations in which cooperation between the accountant and the lawyer is indicated. Emmett J. Sullivan, CPA, whose subject was "When Does It Accrue?" referred to some of the difficulties in reconciling generally accepted accounting principles with Treasury and court decisions. He also described, from the accountant's viewpoint, tax questions which suggest cooperation with lawyers.

Columbus Chapter of Ohio Society repeated its annual federal tax meeting,

December 9-10. George D. Brabson, tax attorney for Ohio Oil Company, and John C. Martin, Columbus CPA, discussed the respective responsibilities of lawyers and accountants in tax cases. Representative Thomas A. Jenkins of Ohio described some of the tax problems expected to confront Congress in 1950.

Kentucky Society and Louisville Bar Association held their first joint dinner program on November 22. Lee Miller, president of the Citizens Fidelity Bank and Trust Company, Kentucky's largest bank, discussed the responsibility of both lawyers and accountants in the administration of trusts and estates.

New Jersey Society and Camden County Bar Association were addressed by Edward N. Polisher, Philadelphia attorney and nationally known author and lecturer on trust and estate problems, at a dinner meeting in Camden, December 5.

### WIDER CIRCULATION FOR INSTITUTE PUBLICATIONS

To make Institute literature available for the benefit of the entire accounting profession, and others interested, several direct-mail campaigns and series of advertisements in professional journals are scheduled for 1950. The objective of this advertising is to increase the circulation of *The Journal of Accountancy*, *Accounting Research Bulletins*, *Statements on Auditing Procedure*, *Accounting Techniques Used in Published Corporate Reports*, and other publications.

To secure names of prospects, the Institute like other publishers buys or rents mailing lists compiled by outside organizations. Such lists frequently include names of some Institute members. Whenever practicable, these names are eliminated. In other instances, however, such revisions would not justify the necessary time and expense. Sometimes the user of the mailing list is not permitted to examine it. Therefore, some members will receive letters promoting the sale of *The Journal of Accountancy* and other Institute publications. Members are asked to ignore these letters, or better still, pass them on to non-member colleagues.

### RECORDED INCOME TAX SHOWS FOR STATE SOCIETIES

Two fifteen-minute radio shows on federal income taxation have been recorded by the Institute for distribution to local radio stations by state societies and their chapters. These transcribed shows are designed to get a few basic facts about taxes across to the average taxpayer. Professional writers and producers have worked on the scripts to achieve the greatest possible amount of popular appeal.

One side of the recording is a dramatization called "Wade Adams and His Income Tax," which ends with a short talk by George J. Schoeneman, Commissioner of Internal Revenue. The other side is a documentary called "The Ides of March." Both recordings make clear that the shows are presented as a public service by the local station, the American Institute of Accountants, and by certified public accountants in the state. Sufficient time has been left so that "live" announcements can be given which mention the specific name of the radio station and state society.

The announcer on both shows is the well known commentator Kenneth J. Banghart, and the actors are all qualified professionals. Scripts for the shows have been sent with an explanatory letter to state society and chapter presidents and chairmen of public information committees. It is suggested that stations use the recordings during the last week of February and the first week of March.

### TENTH ANNUAL SYMPOSIUM IN NORTH CAROLINA

North Carolina Association of Certified Public Accountants, in cooperation with the University of North Carolina and Duke University, conducted its Tenth Annual Symposium on Accounting and Taxation, December 1-3. As in previous years, part of the sessions were held at North Carolina University in Chapel Hill, and the balance at Duke University in Durham. Speakers included representatives of the accounting and legal professions, banking, and education, and tax officials. Carman G. Blough, research director of the American Institute of Accountants, discussed current accounting problems.

# Notes from a Desk Calendar

by JOHN L. CAREY, Executive Director

Many members of the Institute express curiosity about what goes on at Institute headquarters. Official reports and formal announcements do not provide a picture of the underlying activity. Here is a chronological account of some of the things with which I was personally concerned between Thanksgiving and Christmas. If the president, vice presidents, and treasurer of the Institute, committee chairmen, and department heads of the staff each wrote a similar story, it would run to dozens of pages without duplication.

*November 25*—Carman Blough and I met with Louis Seaman and Paul Grady, respective chairmen of Robert Morris Associates and Institute committees on cooperation. Plans laid for joint meeting of the two committees January 20 at New York.

*November 29*—Lunch with Walter Mitchell, Managing Director of Controllers Institute, to talk shop.

*December 1*—Conference with officials of a nearby state society.

*December 2*—Portland, Maine. Lunch with directors of Maine Society of Public Accountants. Address before evening meeting of the society with members of the New Hampshire Society and local NACA Chapter as guests. (The Maine Society, one of the smaller, is making excellent progress in encouraging public accountants to pass the CPA examination, in improvement of public relations, and in developing a series of interesting meetings.)

*December 3*—All-day meeting of Business Income Study Group. Some forty economists, lawyers, businessmen, government officials and certified public accountants carried forward the effort to reach agreement on a basic concept of income.

*December 5*—Early meeting of budget committee with officials of U. S. Trust Company, to review investment portfolio. All-day meeting of the executive committee with 100 per cent attendance, including vice presidents from California, Florida, and Chicago, and

members from Texas, Virginia, North Carolina, and points east.

“American Institute Night” at the New Jersey Society of Certified Public Accountants in Newark.

*December 7*—Meeting with Charlie Towns, chairman of the new Committee on Committees, created to analyze structure, function and personnel of Institute committees, and advise next year’s president on appointments.

*December 8*—Meeting of new committee on wages and hours, Frank Donohue, the new chairman, presiding. Agreed on plans for communication to Institute membership on new wage-and-hour regulations, if and when issued. Discussed possibility of litigation to test applicability to public accounting firms.

*December 9*—Carman Blough and I met Roy Foulke and six associates at Dun and Bradstreet to discuss more effective use in commercial-credit reporting of financial statements audited by certified public accountants, with particular reference to Statements on Auditing Procedure No. 23.

*December 10*—Luncheon meeting with Percy Brundage and Dave Maxwell, co-chairmen of the National Conference of Lawyers and Certified Public Accountants, to plan meeting.

Afternoon interviews with applicants for positions on Institute staff.

*December 12*—Meeting of New York State Society of Certified Public Accountants at which President Stewart was guest speaker, preceded by dinner with state society officers and directors.

*December 13*—Staff meeting with department heads Blough, Winton, Noyes, Papworth, and Kane, to discuss improved service to members, avoidance of errors, handling of complaints; also current plans for increased activity.

*December 14*—Washington, D.C. With President Stewart, visited Earle King, Chief Accountant of SEC, Steve Ives, head of GAO Corporation Audits Division, and Comptroller General Lindsay Warren. (The GAO is working hard

to modernize accounting and auditing methods, and expresses appreciation for the help the Institute has given it.)

*December 15*—Forenoon and lunch with Bob Witschey of West Virginia, new chairman advisory committee of individual practitioners, to discuss program of activities for his committee in current year.

Afternoon conference with Bob Kane, educational director, to plan initiation of personnel reference service, through which it is hoped to refer selected college graduates to prospective employers in all parts of the country. Report from Kane on progress in grading uniform CPA examination papers.

*December 16*—Organization meetings, committee on admissions and committee on auditing procedure.

*December 19*—All-day meeting National Conference of Lawyers and Certified Public Accountants, reported elsewhere in this bulletin.

*December 20*—Meeting of subcommittee of National Conference to consider possibility of a joint meeting on some college campus, sponsored by the Bar Association and the Institute, at which inter-professional collaboration could be discussed.

Lunch with President Stewart and Mark Richardson to discuss organization and program of committee on federal taxation.

*December 21-23*—Catching up on mail, minutes, memoranda, and reports.

*December 23*—Last day of work before Christmas. Thanks for the Christmas greetings from scores of friends all over the country. The Institute is ending another year bigger, better, stronger than ever before.

## ACCOUNTING QUESTIONS POSED BY PENSION PLANS

The recent adoption of pension plans for workers, under contracts running for only a few years, has raised a number of difficult questions of accounting procedure and disclosure in financial statements. On December 27, Carman G. Blough, research director of the Institute, discussed the problem with officials of the Securities and Exchange Commission.

## MEMBERS ELECTED DECEMBER 31, 1949

## California

Harry James Burton, Los Angeles  
 Paul W. Byall, Los Angeles  
 Howard Dawson Criddle, Glendale  
 Arthur B. Cyrog, Los Angeles  
 Mario Fovinci, Modesto  
 W. E. Giles, Los Angeles  
 George John Gottfried, Hollywood  
 Marshall G. Groener, Beverly Hills  
 John Hartmann, San Francisco  
 Roy M. Heramb, San Diego  
 Paul Kazuo Ida, Oakland  
 John Francis Joyce, San Francisco  
 Maurice M. Kahn, Hollywood  
 Edward Karle, Beverly Hills  
 Julius Packer, Los Angeles  
 James William Porter III, San Francisco  
 Jesse D. Reynolds, San Jose  
 Robert Donald Schafer, Los Angeles  
 Henry Serlin, Los Angeles  
 James W. Simpson, Altadena  
 Jacob M. Spiegel, Los Angeles  
 Irwin L. Trust, Los Angeles  
 M. E. Willeford, Fresno

## Colorado

Albert William Gebauer, Sterling  
 George E. Mendenhall, Jr., Denver  
 Robert D. Stewart, Denver

## Connecticut

David Engelson, Bridgeport

## District of Columbia

Joseph S. Hollister, Washington  
 Leslie Surginer, Washington  
 Raymond L. Worthington, Washington

## Florida

K. F. Anderson, Miami  
 H. A. Ingley, Jr., Lake Wales  
 John A. Johnston, Orlando  
 J. Stewart Peoples, Miami Beach  
 Lewis Pomerantz, Miami Beach  
 Abraham Schafer, Miami Beach  
 Wm. M. Smith, Jr., Tampa  
 Harold E. Wells, St. Petersburg  
 C. A. Wetherington, Jacksonville

## Georgia

Carlos F. Coppage, Sr., Augusta  
 George H. Herbert, Jr., Atlanta

## Illinois

William R. Bayer, Chicago  
 William F. Duffy, Chicago  
 John Joseph Eiler, Chicago  
 Leonard J. Knirko, Chicago  
 Edward B. Logan, Chicago  
 D. S. Macintyre, Chicago  
 Ralph H. Marcus, Chicago  
 Gilbert M. May, Chicago  
 Jack M. Rosenberg, Chicago  
 Arthur Edward Serwich, Chicago  
 Myron L. Simon, Chicago  
 Jack Carson Smith, Chicago  
 Frank Y. Takahashi, Chicago  
 Ernest Williams, Rockford

## Indiana

C. C. Hawbaker, South Bend  
 Gordon Crome Hortin, Evansville

## Iowa

Roy E. Barnes, Cedar Rapids  
 M. A. Cornman, Des Moines

## Kentucky

Paul H. Lambert, Louisville

## Maryland

William J. Denton, Baltimore  
 J. Kenneth Morgan, Cumberland  
 C. Donald Stegman, Baltimore

## Massachusetts

Theodore Anas, Springfield  
 Gerald A. Baxter, Boston  
 John J. Brady, Boston  
 George T. Finnegan, Boston  
 Sidney Guttentag, Boston

## Michigan

Herman Binder, Detroit  
 Robert George Frick, Detroit  
 Franklin Gregg, Jr., Dearborn  
 V. Leonard Hanna, Detroit  
 Donald B. Parish, Detroit  
 Gerald Rosenbloom, Detroit  
 Norman A. Schoen, Detroit  
 Albert J. Shuttie, Detroit  
 Howard R. Stacks, Jr., Detroit  
 Donald E. Veenstra, Detroit

## Minnesota

Irving Apple, Minneapolis  
 Vincent R. Else, Minneapolis  
 Robert E. Haugan, Minneapolis  
 Alfred L. Hunt, St. Paul  
 Robert W. Nelson, Minneapolis

## Mississippi

John A. Noel, Jackson

## Missouri

Elmer C. Baker, St. Louis  
 Edward H. Berry, Sikeston  
 Charles E. Bischof, Jr., St. Louis  
 Ira W. Fillingham, Neosho  
 Harold E. Gasper, St. Joseph  
 Harrison H. Halbe, St. Louis  
 Amos A. Hermanson, Jr., Chillicothe  
 Holme Hickman, Hannibal  
 Harry M. House, St. Louis  
 Monte Lee Lopata, St. Louis  
 Julian D. Pyatt, Trenton  
 Irwin Monroe Scheiner, St. Louis  
 Henry Louis Schnedler, St. Louis  
 Thomas J. Snowden, St. Louis  
 Milton W. Taylor, St. Joseph

## Nebraska

Morris E. Kirshenbaum, Omaha

## New Jersey

Anthony J. Cacchione, New Brunswick  
 Abe Deutsch, Newark  
 Girard A. Pisauro, Trenton  
 Louis J. Seale, Newark  
 Gilbert Sunshine, Jersey City

## New York

Seymour Berger, New York  
 Douglas G. Cochrane, New York  
 Michael G. Duma, New York  
 Stanley Ferber, New York  
 James J. Fitzgerald, New York  
 William M. Gips, New York  
 Wm. P. Goldman, New York  
 John L. Harvey, Jr., New York  
 Robert E. Kappauf, New York  
 Abraham J. Katcher, New York  
 Morton D. Kintisch, Albany  
 Bruce J. Kirchenbaum, New York  
 J. William Leary, Massena  
 William Hugh Leeper, New York  
 Elaine Felicia Lesser, New York  
 Aaron Levine, New York  
 Philip Merkur, New York  
 S. Arthur Neufeld, New York  
 Colin I. Park, Buffalo  
 Leon W. Robb, Watertown  
 Lester P. Schwartz, New York  
 Nathan H. Sirota, New York  
 Philip M. Steinborn, New York

## North Carolina

Alexander Bruce Umstead, Durham

## North Dakota

F. L. Castle, Grand Forks

## Ohio

Harold P. Brandt, Cleveland  
 Wm. H. Brester, Cincinnati  
 Harry William Deislinger, Warren  
 Joseph P. Lipka, Cleveland

## Oklahoma

G. Harlan Bumpas, Oklahoma City  
 Mildred Jeannette Harry, Tulsa  
 R. Randall Linney, Oklahoma City

## Oregon

Myron E. Doty, Portland  
 John Loback, Portland  
 Vernon Thompson, Portland  
 Harland A. Wolf, Portland

## Pennsylvania

Lionel Glenn Davidson, Pittsburgh  
 Clair R. Kennedy, Butler  
 Wilbert J. Nace, York  
 Ralph Schwartz, Philadelphia  
 Joseph Moss Somers, Philadelphia  
 Donald J. Trego, Philadelphia  
 Alvin Wilensky, Scranton

## South Carolina

Furman E. Cannon, Columbia

## Tennessee

Robert E. Johnson, Chattanooga  
 Herbert Lee Oakes, Chattanooga

## Texas

T. J. Akers, Dallas  
 Dewey J. Berglund, Dallas  
 Howard M. Daniels, Houston  
 Leonard R. Hassell, Dallas  
 Collis P. Haynes, Jr., Houston  
 William Morphew, Dallas  
 H. Victor Percy, Corpus Christi  
 J. Allison Snyder, Dallas  
 Clark W. Thompson, Jr., Houston  
 James P. Williams, Jr., Dallas

## Utah

Alton Leon Anderson, Salt Lake City

## Washington

J. A. Newton, Seattle

## West Virginia

Harry Kramer, Wheeling  
 Chester O. Williams, Charleston

## Wisconsin

W. H. Bartels, Milwaukee  
 Alvin H. Hoffmann, Milwaukee  
 R. W. Taplick, Madison

## APPLICANTS RECOMMENDED FOR ADMISSION

The committee on admissions has given consideration to applicants for membership in the American Institute of Accountants and recommends the admission of 47 applicants who have been accorded credit for having passed examinations acceptable to the committee on admissions and 158 applicants who have passed the uniform examination for the CPA certificate in participating states.

## Alabama

Wm. R. Anchors, Jacksonville  
 Thad Partridge, Mobile  
 Lindsay C. Smith, Birmingham

## Arizona

Ethel W. McNinch, Phoenix

## Arkansas

Frank L. Eaton, Little Rock  
 R. L. McQueen, Little Rock  
 N. B. Weedman, El Dorado

## California

Calvin P. Andrews, Los Angeles  
 Harry W. Barbour, Los Angeles  
 Jorgen Bohn, San Francisco  
 Harold W. Chapman, Riverside  
 Robert C. Davis, Los Angeles  
 Richard M. De Smet, Pasadena  
 Hugh J. Fitzpatrick, Santa Rosa  
 Stanley Grydyk, San Francisco  
 Fred J. Held, Hamilton  
 Hugh V. Hunter, Hollywood  
 Harry E. Meade, San Francisco  
 Arnold Rue, Stockton  
 Attilio P. Ruggiero, San Francisco  
 Edward Stone, Beverly Hills  
 Frederick J. von Husen, San Francisco  
 Eugene C. Wheary, San Francisco

## Colorado

Sidney Milzer, Denver

## Connecticut

Genevieve Marie Bohan, New Haven  
 Mario L. Solari, Hartford

## District of Columbia

Joseph Bernstein, Washington  
 Louis O. Cox, Jr., Washington  
 William Francis Hughes, Washington  
 Robert Edward Stanton, Washington

## Florida

Pendleton R. Armstrong, Jacksonville  
 W. J. Burke, Miami  
 Theodore F. Chive, Tampa  
 Donald G. Craft, Panama City

## Georgia

Sam DuBose, Waycross  
 Edwin Haldon Johnson, Sr., Augusta  
 Carl Spraggins, Atlanta

## Illinois

Ralph L. Cohen, Chicago  
 Elmer G. Etscheid, Chicago  
 Sidney Ira Freeman, Chicago  
 Harry C. Fritz, Jr., Chicago  
 Seymour P. Golden, Rock Island  
 Abe Myron Goldrich, Chicago  
 Hyman W. Gurolnick, Chicago  
 Anton E. Krusic, Chicago  
 Frank D. LaMonte, Jr., Chicago  
 Michael N. Lompart, Chicago  
 Kullervo Louhi, Chicago  
 Sidney Manowitz, Chicago  
 Lloyd C. Stevenson, Peoria  
 George P. Zenner, Chicago

## Iowa

Marvin R. Selden, Jr., Des Moines

## Kansas

D. E. Rasmussen, Topeka

## Kentucky

Sylvan Samuels, Louisville

## Louisiana

Harris J. Chustz, Baton Rouge

## Maryland

Robert A. Howard, Baltimore

## Massachusetts

Frederick H. Dodkin, Lawrence  
 Duncan Edmands, Boston  
 Thomas G. Lynah, Boston  
 Herbert A. Milk, Boston  
 Thomas L. Morison, Boston  
 Alfred E. Read, Springfield  
 Jacob I. Sherman, Boston

## Michigan

Frank W. Andux, Detroit  
 Donald H. Armstrong, Detroit  
 C. R. Bond, Jackson  
 Albert E. Cole, Detroit  
 William G. Curott, Detroit  
 Clement F. Fleury, Iron Mountain  
 Maurice S. Hahn, Ann Arbor  
 John S. Heil, Jr., Detroit  
 Frederick C. Janz, Detroit

Leonard Robert Lazar, Detroit  
 Gilbert L. Lee, Jr., Ann Arbor  
 Alan Bruce Matthews, Detroit  
 Kenneth A. Polansky, Adrian  
 H. Donald Reed, Detroit  
 George M. Sharpe, Benton Harbor  
 Geo. W. Smith, Detroit  
 Donald H. Sutherland, Plymouth  
 Martin Brock Wagoner, Grand Rapids  
 George F. Zimmerman, Detroit

**FIRM ANNOUNCEMENTS**

- **BARROW, WADE, GUTHRIE & Co.** announce the admission of the following certified public accountants as general partners: Edwin C. Nelson and Arnold R. Ternquist, San Francisco office; Stanley E. Shirk, New York; Jay M. Squire, Newark; William B. Wood, Houston; Philo R. Zimmerman, Seattle.
- **HAROLD M. BERLFEIN** announces the opening of an office at 9538 Brighton Way, Beverly Hills, California.
- **JACK G. GEORGE** announces the formation of a partnership with Irwin L. Trust under the firm name of Trust & George, 111 North La Cienega Boulevard, Beverly Hills, California.
- **MORRIS GUNNER** announces the opening of an office at 101 Fifth Avenue, New York 3, N. Y.
- **HENDRICK & NEWKIRK**, 308 Leggett Building, Midland, Texas, announce the admission of Loyd G. Whitley as a partner and a change in the firm name to Hendrick, Newkirk & Whitley.
- **HINDERER-BAYLOR ASSOCIATES** of Kingsport, Tennessee, announce that John St. C. Werth has been admitted to the firm as resident general partner.

- **GEORGE A. MAXWELL** announces that he is associated in the practice of public accounting with Wittman and Strachan, 215 Market St., San Francisco 5.
- **THOMAS A. MONAHAN** announces the opening of an office for the practice of public accounting at 821 Wood Street, Wilkensburg, Pittsburgh 21, Pennsylvania.
- **J. W. OLSHEN** announces the opening of offices at 420 Lincoln Road, Miami Beach 39, Florida.
- **CHARLES S. ROCKEY & Co.**, Walnut and Juniper Streets, Philadelphia, announce that John G. Willenbecher, CPA of Allentown, Pennsylvania, has merged his practice with their firm. Raymond S. Edelstein, CPA, who has been associated with Mr. Willenbecher since 1941, has become a resident partner and will remain in charge of the Allentown office at 703 Allentown Bank Building.
- **RUDNEY & RUDNEY** announce the removal of their offices to Suite 910 at 1,422 Chestnut Street, Philadelphia 2.
- **J. J. SCARBOROUGH, JOHN R. THOMAS, and H. O. THOMAS, JR.**, announce the dissolution by mutual agreement of the firm of Scarborough, Thomas & Company, Birmingham, Alabama. J. J. Scarborough and H. O. Thomas, Jr., will continue their

- practice under the firm name of J. J. Scarborough & Company with offices at 501 Jackson Building, Birmingham. John R. Thomas will continue his practice at 929 American Life Building, Birmingham.
- **EDMUND H. SMITH**, 216 West Ninth Street, Wilmington 43, Delaware, announces that his practice has been merged with the Philadelphia office of Scovell, Wellington & Company. The Wilmington office will be retained.
- **PAUL R. SMOAK, JEWELL A. DAVIS and FRANCIS C. NIXON** announce the admission of Carlton A. Wetherington as a partner in their public accounting practice. The firm will be designated as Smoak, Davis & Nixon, with offices in Suite 505, Graham Building, Jacksonville 2, Florida.
- **H. E. VAN BENSCHOTEN & Co.**, 295 Madison Ave., New York 17, N. Y., announces a change in the firm name to Van Benschoten, Moll & Flaskel.
- **WOLF and COMPANY**, with offices in Chicago and other major cities, announce their affiliation with Hopkins and Company, certified public accountants of New York City, and the opening of joint offices under the name of Wolf and Company at 420 Lexington Avenue, New York, N. Y. Francis W. Hopkins is resident partner in the New York office, and Donald L. Davis resident manager.

- Minnesota**  
Stanley Carlsson, Marshall
- Mississippi**  
Lamar G. Rogers, Natchez  
William Brewer Tucker, Greenwood
- Missouri**  
Francis N. Becker, St. Louis  
Arnett E. Burrow, St. Louis  
Max Cohen, St. Louis  
John P. Fechter, St. Louis  
Lawrence J. Foster, St. Louis  
Clarence O. Hardy, St. Louis  
Henry S. Levy, St. Louis  
Louis R. Levy, St. Louis  
William H. Miller, Kansas City  
Catherine H. Mueller, St. Louis  
Milton F. Napier, St. Louis  
Fred B. Nelson, Kansas City  
Louis Nussbaum, Kansas City  
Robert H. Scott, Joplin  
Hilda Buxbaum Soule, St. Louis  
Clarence A. Speer, St. Joseph  
James G. Stables, Hannibal  
Haddon C. Stosberg, Kansas City  
Louis M. Weltman, St. Louis  
Tracy B. Whitton, St. Louis  
Roy A. Wilhelmson, Kansas City
- Montana**  
W. M. Henry, Missoula
- New Jersey**  
Bernard Bachman, Newark  
Harold Bass, Montclair  
Morris Cohen, Newark  
Samuel J. M. Testa, Teaneck
- New Mexico**  
L. E. Thompson, Jr., Albuquerque

- New York**  
Edwin M. Appel, New York  
Maurice M. Baer, New York  
Seymour S. Berdon, New York  
Franklyn R. Bonnett, New York  
Frances Catherine Bruce, New York  
Donald K. Charlesworth, New York  
Robert Carter Chilton, New York  
Herbert C. Clough, Jr., New York  
Chester T. Cook, Hicksville  
Walter M. Daly, New York  
Alan W. Drew, New York  
Rubin Edelstein, New York  
Julian Eisenstein, New York  
Emil Friedman, New York  
Howard W. Friedman, New York  
John A. Greene, Jr., New York  
Edward J. Herlihy, Glens Falls  
C. Gordon Higgins, Brooklyn  
Henry Husin, New York  
Daniel K. Kast, New York  
Anthony A. Keenan, New York  
David L. Kessler, Albany  
Sanford J. Leffert, New York  
Irving C. Lippman, New York  
Bernard Dominic Marren, New York  
Thos. J. McCarrick, Rochester  
Jacob Meresman, New York  
Peter Pirnie, Jr., New York  
Robert D. Preston, Jr., New York  
Gustave A. Reh, Jr., New York  
Peter J. Shedden, New York  
George H. Staples, New York  
Vernon Steensland, Syracuse  
Philbert Weinper, New York
- North Carolina**  
Roy D. Apple, Burlington  
Charles N. Briley, Charlotte  
W. Burton Hair, Burlington  
Richard H. Llewellyn, Greensboro  
Lonnice R. Shuping, Raleigh

- Ohio**  
Ruben E. Cohen, Cincinnati  
William S. Fry, Dayton  
Joseph A. King, Toledo  
John William LaFrance, Toledo  
Elmer G. Reiland, Cleveland  
J. Arthur Sohn, Cincinnati
- Oklahoma**  
Paul E. Gathers, Oklahoma City
- Oregon**  
James W. Callahan, III, Medford  
Charles F. Larson, Jr., Eugene  
G. J. Moshofsky, Portland  
Earl J. Silva, Jr., Portland
- Pennsylvania**  
Wilma Barbara Andrade, Scranton  
Herman Blumenthal, Philadelphia  
Herman B. Blumenthal, Philadelphia  
Walter T. Brown, Philadelphia  
J. H. Daly, Jr., Philadelphia  
Aubrey C. Dickson, Jr., Philadelphia  
Richard A. Hobday, Lancaster  
Herbert G. Jones, Pittsburgh  
J. R. Malone, Philadelphia  
George E. Marak, Pittsburgh  
John A. Marcacci, Pittsburgh  
Leon E. Nark, Harrisburg  
Herman R. Schnell, Philadelphia  
Andrew G. de Sherbinin, Philadelphia  
Harry J. Strable, Philadelphia  
Irvin Wertheimer, Philadelphia
- Rhode Island**  
Ronald W. Lawton, Providence  
Gerard J. Quinton, Providence
- South Carolina**  
Max M. Tanenbaum, Charleston

- Tennessee**  
R. A. Carpenter, Knoxville  
Nathan E. Underwood, Chattanooga
- Texas**  
Winslow Vernon Bain, Houston  
Jarman Bass, Houston  
Roy A. Beaver, Corpus Christi  
Leslie H. Blair, Houston  
Charles W. Curry, Harlingen  
H. P. Dosier, Pampa  
Andrew C. Gladden, Houston  
J. Carter Henson, Houston  
Charles W. Johnson, Houston  
Vernon H. Petersen, San Antonio  
J. S. Rasberry, Houston  
Louis Sines, Amarillo  
William T. Townsend, Dallas
- Utah**  
Theron B. Lee, Brigham City
- Washington**  
I. A. Brown, Vancouver  
Robert R. Helm, Seattle
- Wisconsin**  
Robert C. Anderegg, Milwaukee  
Don W. Loeffler, Milwaukee  
Robert J. Mallon, Green Bay  
Morris Pivar, Milwaukee  
Joseph Ward Van Camp, Jr., Milwaukee
- Wyoming**  
Alfred Christensen, Casper

These applicants do not become members until voted upon by council and declared elected by the president. If protest is to be made against any applicant on the list it should reach the office of the Institute on or before January 31, 1950.



## OBITUARIES

• **GEORGE R. BEELER** of Fort Wayne, Indiana (1934 member), died in Methodist Hospital there, on Christmas Day, following a long illness. He was 52 years old. A native of Indiana, Mr. Beeler received his CPA certificate from that state in 1930. Formerly a member of the Fort Wayne public accounting firm of Buist, Beeler & Anglin, since December 1, 1943, he had been manager of the Fort Wayne office of Edward Gore & Co.

• **GEORGE V. CARROLL** of East Orange, New Jersey, who was admitted to Institute membership on April 30, 1949, died on November 25 at the age of 40. Following his graduation from Wharton School, University of Pennsylvania, Mr. Carroll was employed as an accountant by the National Life Insurance Company of Vermont and as assistant comptroller of Breyer Ice Cream Company. Since 1940 he had been engaged in public accounting practice under his own name.

• **MYRTILE CERF** of San Francisco (1925 member) died September 12 at the age of 74, following a brief illness. He was a partner in the public accounting firm of Cerf & Cooper.

• **R. W. E. COLE** of Los Angeles, a member of the Institute and predecessor organizations since 1910, died on September 17 at the age of 73, following a long illness. Mr. Cole, a partner in R. W. E. Cole & Co., was one of the first certified public accountants to practice in Los Angeles and a former president of the American Society of Certified Public Accountants.

• **MARK DANIELS, JR.**, of San Francisco, (1945 member) died suddenly on September 18 at the age of 35. He was a partner in the public accounting firm of Heymann & Daniels.

• **ANDREW STEPHEN DOYLE** (1933 member) died at his home in Maplewood, New Jersey, on December 9, following a heart attack. His age was 58. Mr. Doyle, a graduate of New York University School of Commerce, Accounts and Finance, had been a partner in the public accounting firm of McGrath, Doyle & Phair in New York City for the past 35 years.

• **FRANK L. HAMMOND** of Chicago (1918 member) died on October 6, at the age of 58, after a long illness. Born in Elgin, Illinois, Mr. Hammond obtained his accounting education at Walton School of Commerce and the University of Chicago. He had been engaged in public accounting practice since 1916, served with the

United States Naval Reserve in World War I, and since 1942 had been associated with the Chicago office of Lybrand, Ross Bros. & Montgomery.

• **GEORGE E. HIRST** of Cleveland, Ohio (1937 member) died early in December following a long illness. Born in DuBois, Pennsylvania 54 years ago, he was a graduate of Allegheny College. Mr. Hirst had formerly engaged in public accounting with the Cleveland firm of Card, Palmer and Sibbison. He was previously associated with Bryant Heater Company and had been treasurer of Standard Products Company. In 1942 he joined Hamilton Steel Company and was its treasurer at the time of his death.

• **RICHARD W. KESSELL** of Marysville, California (1934 member) died November 7 at the age of 43. A graduate of the University of California, Mr. Kessell was employed by Standard Oil Company of California and Western Pacific Railroad before joining the professional staff of McLaren, Goode & Co. After five years, he withdrew from that public accounting firm to enter the United States Army and subsequently attained the rank of First Lieutenant. At the time of his death, he was a partner in the public accounting firm of Kessell and Chipman.

• **TOM C. KING** of Dallas, Texas (1944 member) died suddenly in Fort Worth, on November 11, at the age of 49. He was associated with the public accounting firm of Lybrand, Ross Bros. & Montgomery. A native of Tennessee, Mr. King held degrees from Tulane University and Washington University. He was Texas State Auditor in 1936-1941, and a member of the Texas Bar. He served as a commissioned officer in the United States Army in World War II.

• **DORWIN C. LOVE** of Detroit (1946 member) died suddenly of a heart attack on November 7 at the age of 44. Born in Charlotte, Michigan, he studied at Ferris Institute in Big Rapids, Michigan, and took extension courses offered by the International Accountants Society and Alexander Hamilton Institute. Mr. Love had been engaged in public accounting practice since 1926, and at the time of his death was a partner in the firm of Forward & Love.

• **JOHN C. MACALPINE** of Philadelphia (1917 member) died November 23 at the age of 81, of injuries sustained in a traffic accident. A native of Komoka, Ontario, Canada, he attended the public schools of Kalamazoo, Michigan, and was a graduate of Union College, Schenectady, New York.

He was employed by the Standard Oil Company in Bayonne, New Jersey, and Schofield Construction Co. Philadelphia, before founding the Philadelphia public accounting firm of J. C. MacAlpine & Son in which he was senior partner at the time of his death.

• **CHARLES EDWARD MORRIS** of New York City, member of the Institute and predecessor organizations since 1910, oldest partner in the public accounting firm of Haskins & Sells, died December 28 at the age of 82. Born in Goochland County, Virginia, he was graduated from the University of Georgia in 1886, joined Haskins & Sells in 1900, and became a partner in 1910. For many years he represented that firm in engagements for some of its largest industrial, utility, and railroad clients in the United States, Europe, Asia, and Australia. A certified public accountant of New York, Illinois, Pennsylvania, and Florida, Mr. Morris was a member of New York State Society of Certified Public Accountants and the Union League Club of New York.

• **GEORGE O. SHORT** of Lafayette, Indiana (1941 member), died on August 29 at the age of 44. He was associated with the Journal-Courier Publishing Company, in Lafayette.

• **OSCAR J. SUFRIN** of New York City (1945 member), certified public accountant and attorney, died December 4. Born in Rumania 57 years ago, he came to the United States at the age of six. He was graduated from New York University in 1914, and from its law school in 1929. Mr. Sufrin had practiced accounting and law in New York City for 35 years, and taught evening classes in accounting at City College for the past 25 years. In World War I he was a captain in the Quartermaster Corps and in World War II, with the rank of lieutenant colonel in the Transportation Corps, he was commander of the overseas staging area at Fort Hamilton. Mr. Sufrin was a member of many military organizations including the American Legion, Jewish War Veterans, Reserve Officers Association, and New York Chapter of the Quartermasters Association.

• **LEE HEYER WHITE** (1917 member) died November 9 at the age of 71, following a month's illness. He was engaged in public accounting practice under his own name in New York City and in Bridgeport, Connecticut. A graduate of Brown University, Mr. White was a member of both the New York and Connecticut Societies of Certified Public Accountants and of the University Club of New York.

# THE CERTIFIED PUBLIC ACCOUNTANT

*A Bulletin of the American Institute of Accountants*

FEBRUARY 1950

## SYMPOSIUMS ON ADVANCED ACCOUNTING

The first of several advanced accounting symposiums for certified public accountants, to be scheduled on college campuses in various parts of the country this spring and fall, will be held at the University of Maryland, in College Park, June 14-16. These programs which follow the pattern of the graduate study conferences conducted in the past two years at Michigan, Harvard, Louisiana Polytechnic Institute, Stanford, and Rutgers, will be sponsored jointly by the American Institute, state societies of certified public accountants, and cooperating colleges and universities. Their primary purpose is to provide an opportunity for independent practitioners, seniors and supervisors in public accounting firms, and accountants employed in industry to review the latest developments and discuss current technical problems informally with authorities in the field. Other conferences will be announced later.

### APRIL COUNCIL MEETING

The regular midyear meeting of the Institute Council, usually scheduled in May, will be held at The Greenbrier, White Sulphur Springs, West Virginia, April 15-20. Adequate hotel accommodations were not available at a later date. Business sessions will convene on April 17, 18, 19, and 20. Most Council members plan to spend the preceding week end at The Greenbrier. Arrangements are being completed for special cars leaving New York City on the evening of April 14.

## Monthly News Letter

● **Institute Firm List Sent to Bankers.** More than 15,000 bank presidents throughout the country, and 2,200 bank credit officers who are members of Robert Morris Associates, have received copies of a 98-page booklet listing geographically names of all practitioners and public accounting firms represented in the membership of the Institute. This list is identical with the one published in the geographical section of the recent membership directory. It was accompanied by a letter explaining to bankers that Institute members hold CPA certificates and are subject to rules of professional conduct covering, among other things, the quality and standards of their work as auditors.

● **Accountant Held Guilty of Unauthorized Law Practice.** A Minnesota court has held that a non-certified accountant engaged in illegal practice of law in giving advice as to certain exemptions and deductions of an individual taxpayer who had requested the accountant to prepare his return. (*Ramsey County Bar Association v. Conway*. District Court, 2nd Judicial District, County of Ramsey.)

● **Tax Settlement Hearings Postponed.** Hearings by the Joint Committee on Internal Revenue Taxation on the Tax Settlement Board bill (HR 2983) and related proposals, expected early in January, have been indefinitely postponed. Both the House Committee on Ways and Means and the Senate Finance Committee are currently concerned with other legislation. Institute representatives are prepared to testify before the Joint Committee when hearings are held. Action on the Tax Court bill (HR 3113) has also been deferred.

● **Membership Committee Reports Accomplishments.** Circulation of questionnaires by the Institute membership committee, announced in this bulletin last month, has produced replies from 152 public accounting firms requesting 120 application blanks and listing names of 107 prospects. Chairman Coleburke Lyons reports admission of 865 members from September 1, 1949, through January 31, 1950. Total membership on the latter date was 14,778.

● **Accountants Contest New Wage-Hour Regulation.** The Wage and Hour regulation specifying a minimum salary of \$75 a week as a condition for professional exemption was attacked in a complaint filed on January 20 in the United States District Court of the District of Columbia by the partners of George S. Olive & Co., certified public accountants, of Indianapolis. This complaint charges that the regulation is arbitrary and invalid because it exempts all doctors and lawyers from the time-and-one-half for overtime and other requirements of the Act but does not exempt accountants, who otherwise come within the definition of "professional," unless they receive at least \$75 a week.

[Continued on page 2]

## THE CERTIFIED PUBLIC ACCOUNTANT

Monthly bulletin of the American Institute of Accountants, 270 Madison Avenue, New York 16, N. Y.

### OFFICERS

President.....J. HAROLD STEWART  
 Vice Presidents.....MAURICE AUSTIN  
                                   GEORGE O. CARLSON  
                                   JAMES I. KELLER, JR.  
                                   MAURICE H. STANS  
 Acting Treasurer CHARLES H. TOWNS  
 Executive Director.....JOHN L. CAREY

## INTERNATIONAL CONGRESS POSTPONED TO 1952

Because of the difficulty of providing adequate accommodations during the "Festival of Britain," the council and executive committee of the Sixth International Congress on Accounting, scheduled to be held in London the week of July 16, 1951, report its postponement to the week of July 14, 1952.

## DON'T OVERLOOK ANNUAL REPORT STUDY

Orders for the Institute's third annual survey entitled *Accounting Techniques in Annual Reports* are being received in substantial volume from accountants, business executives, and others. Members who may have postponed asking for a copy are urged to act now before the supply is exhausted. Readers say the 1949 edition, which contains a three-year comparison of annual reports published by 525 identical corporations, is even more valuable than its predecessors. Price of this 112-page research department study is \$10.

## THREE COMMITTEES BUSY ON ANNUAL MEETING PLANS

The Institute committee on meetings held its second discussion of preliminary annual meeting arrangements, in Boston, January 23. Two days later, the committee on technical sessions met in New York to begin planning the program. The ladies' committee, of which Mrs. Harold Mock of Boston is chairman, has held its first meeting to develop an entertainment program for wives of Institute members. The 1950 annual meeting will be held at Hotel Statler, Boston, the first week in October.

## Monthly News Letter [Continued from page 1]

● **CPA Monopoly Charges Denied.** Members of the Connecticut State Board of Accountancy and other representatives of the accounting profession have submitted formal replies to a recent statement by a member of the Connecticut Commission on State Government Organization that the Board is apparently attempting to maintain a monopoly for the benefit of certified public accountants. Noting that Connecticut uses the uniform CPA examination, prepared by the American Institute of Accountants, Executive Director John L. Carey also issued a protest. Charges and denials have been quoted in Connecticut newspapers. The Connecticut Society of Certified Public Accountants plans to consider these developments at an early meeting.

● **Personnel Tests Offered to Institute Members.** The committee on selection of personnel announces that its entire battery of tests will be available, on request, this spring to any individual practitioner or public accounting firm represented in the Institute membership. This extension of the testing service is in response to the opinion expressed by partners in a number of firms that the tests would help them to evaluate present professional staff personnel and to select new employees more efficiently.

● **Latest Developments in State Legislation.** The first hearing on Massachusetts Senate bill No. 433, providing for continuing registration of both certified public accountants and public accountants, was scheduled on January 25 before the Committee on State Registration but has been indefinitely postponed. Representatives of Massachusetts Society of Certified Public Accountants will oppose the bill when this hearing is held. A regulatory proposal recently introduced in the Mississippi legislature closely resembles the model bill suggested by the National Society of Public Accountants. Mississippi Society of Certified Public Accountants plans to combat this legislation.

● **Institute Completes Examination Grading.** A staff of about 70 certified public accountants has graded 27,132 individual papers submitted by 7,267 candidates in the November, 1949, uniform CPA examinations and reported the results to 45 state and territorial boards of accountancy using the Institute's grading service. This all-time record compares with 24,106 papers submitted by 6,264 candidates in May, 1949. These totals exclude papers written by candidates in New York State and a few other states which do their own grading. The next uniform CPA examinations are scheduled for May 17, 18, and 19, 1950.

● **State Society Newsletter.** A newsletter addressed to presidents of state CPA societies, editors, and public relations committee chairmen is being prepared and circulated monthly by the Institute public relations staff. Its purpose is to present promptly and briefly news highlights of the profession, the Institute, and other state societies which may be used in planning activities or editing publications.

● **Enthusiastic Reception for Institute Broadcasts.** More than a hundred radio stations throughout the country are expected to use the two tax shows recorded by the Institute for state societies and their chapters. Requests for transcriptions have already been received from 28 states. The 15-minute programs, described in more detail in the January issue of this bulletin, were prepared with the aid of professional writers, actors, and producers to give the average taxpayer a few basic facts about taxes. One of them includes a brief talk by George J. Schoeneman, Commissioner of Internal Revenue.

● **Career Booklet.** A new Institute publication, *A Career in Public Accounting*, is on the press. Presenting a broad survey of the profession, this booklet is written to interest top-grade high school and college students in an accounting career. It

has been prepared by the Institute's public relations staff and public relations counsel to replace an earlier career pamphlet. Copies will be sent to all members.

● **Ideas for State Society Publicity.** A kit of publicity suggestions, labeled "Press Publicity and How To Get It," was sent by the Institute this month to chairmen of the public relations committees of all state CPA societies and their chapters. This folder, a companion to last year's legislative kit, contains four items: a review of publicity techniques, summary of the Institute public relations program, report on the successful public relations activities of Rochester Chapter of New York State Society, and a dozen examples of typical publicity stories.

● **Five Firms Collaborate in New Orleans Audit.** Five firms of certified public accountants recently completed a joint audit of the accounts of the City of New Orleans: Denis A. Barry & Co., Barton, Pilie, Sere & Wermuth, J. K. Byrne & Co., and Gayle L. Dalferes, CPA, all of New Orleans, and Wolf & Company of Chicago. In addition to the general fund, the audit included examination of accounts of independent boards, commissions, and other government agencies for the two-year period ended December 31, 1948. The report, prepared in "long-form" style and signed by all participating firms, contains recommendations for improving accounting procedures and internal control.

● **Magazine Articles on Accounting.** The Institute's expanded public relations program has produced several magazine articles. One on "Better Profits through Accounting," prepared in cooperation with the Institute, has been accepted by *Hardware Age*, a trade journal with more than 32,000 readers. Another story on farm accounting, emphasizing the Treasury Department's plans for closer scrutiny of farmers' income-tax returns, has appeared in a number of agricultural magazines. It was written by Jay Richter, Washington correspondent of the Institute's public relations counsel.

● **Examination Booklet Circulation Exceeds 25,000.** The first edition of the Institute's new public relations booklet entitled *The CPA Examination: Gateway to a Profession*, consisting of 25,000 copies, was exhausted within a month after its publication and a second edition is being printed. This pamphlet has been distributed to all Institute members and, on request, to state boards of accountancy, state societies and their chapters, teachers, students, business librarians, and financial editors. Anyone can obtain a maximum of five copies without charge. In larger quantities, the price is 10 cents each.

● **Recent Newspaper Publicity.** Reprints of an editorial in *The Journal of Accountancy* for February, advocating a non-partisan commission to revise the present federal tax system, were recently sent to a group of influential editors. Resulting publicity included an editorial in the *New York Wall Street Journal*, for January 30, quoting extensively from the original article. Other releases last month included 475 announcements of Institute committee appointments. These news stories ranged from brief lists of names for large metropolitan dailies to longer items, complete with biographical details, for small-town newspapers and other publications. Similar announcements are sent each year as soon as acceptances are received from all appointees.

● **Pension Accounting Discussed with SEC.** Opinions relating to appropriate disclosures in connection with fixed-term pension plans, formulated by the committee on accounting procedure at its meeting on January 13-14, were discussed with SEC representatives in Washington a few days later by Samuel J. Broad, chairman of the committee, John B. Inglis, a committee member, and Carman G. Blough, Institute research director. These opinions and related comment will be published soon in the "Current Accounting and Auditing" section of *The Journal of Accountancy*.

## STATE SOCIETY ACTIVITIES

St. Louis Chapter of Missouri Society supplies treasurer and two other members of citizens' committee advising Board of Education on financial problems; William Charles, Society past president, is committee member at large and chairman.

District of Columbia introduces American Institute testing and placement program; hopes to expedite contacts between qualified job-seekers and prospective employers.

North Carolina appoints Robert R. Rains full-time assistant secretary; previous experience with Haskins & Sells, Guaranty Trust, Texas Co., University of North Carolina.

Los Angeles Chapter and state society join LA Chamber of Commerce in Second Annual Business Outlook Conference; Chapter President Robert L. MacReynolds and N. Loyall McLaren of San Francisco among speakers.

Iowa and Wisconsin start membership news letters; California publishes booklet, *You and Public Relations*.

## GREETINGS TO OLDTIMERS

Brownell McGibbon of Brooklyn, New York, member of the American Institute and predecessor organizations for more than half a century, was a luncheon guest of Norman Webster, chairman of the Institute committee on history, Henry A. Horne, past president of the New York State Society of Certified Public Accountants, and H. T. Winton, administrative secretary of the Institute, on January 13. Mr. McGibbon, who holds certificate No. 7 issued by the State of New York in 1896, became a fellow of the American Association of Public Accountants on March 26 of that year. On January 19, 1897, he was elected one of two auditors of that organization and was reelected seven times, serving until October, 1905.

The Institute also congratulates William M. Madden of Indianapolis, former member of council, who recently celebrated his 85th birthday. Reports from the Indiana city indicate that he is enjoying good health and on the job every day at the offices of W. M. Madden & Company.

## PAST PRESIDENT DIES



**Carl H. Nau**

CARL H. NAU of Cleveland, Ohio, president of the American Institute of Accountants from 1920-1922, and a member of the Institute and predecessor organizations since 1906, died January 31 at the age of 83. Mr. Nau, a lifelong resident of Cleveland, was educated in the public schools of that city. First employed by the Standard Oil Company as an office boy in 1886, he became an accountant and remained with that organization 11 years. From 1898 to 1909 he engaged in the independent public practice of accounting. In the latter year, he founded the public accounting firm of Nau, Rusk & Sweringen with which he was actively associated until 1938. Mr. Nau served his profession as treasurer of the American Association of Public Accountants, predecessor of the Institute, and as chairman of the committee on professional ethics and member of council of the American Institute. He served the City of Cleveland, at various times, as its Treasurer, member of the Charter Commission, and member of the Library Board.

### NEWSPAPER CLIPPINGS WANTED

Members can help the staff materially by sending to the Institute office any items appearing in their local newspapers about Institute activities, committees, individual members, or *The Journal of Accountancy*. Each clipping should indicate the name of the newspaper and publication date.

# The Management of the Institute

by JOHN L. CAREY, Executive Director

**B**ETWEEN 1940 and 1950, 10,240 new members were admitted to the American Institute of Accountants.

In spite of the mountains of printed matter they have received from the Institute, it's a safe bet that many of them do not have a clear understanding of how their national professional organization is operated and what its various objectives are—just what it does, how, and why. This is because (a) they can't read everything, and (b) a clear overall view requires some historical perspective, and information which has to be dug out of by-laws, minutes, and sometimes long series of interrelated reports.

On the assumption that the Institute may be more useful to the members—and the members to the Institute—if they understand how it works and what it's trying to do, it has been suggested that the staff, from time to time, publish articles in this bulletin on the various aspects of this subject. This is the first effort in that direction.

### The Council

The governing body of the Institute is the Council, which the by-laws provide "shall exercise all powers requisite for purposes of the Institute." Since 1936, when the American Society of Certified Public Accountants merged with the Institute, many changes have been made in the Council. It has been greatly enlarged, terms of office have been reduced from five to three years, state society presidents and past presidents of the Institute and all predecessor organizations have been made ex officio members, and nine members "at large" have been added.

At present the Council is composed of 133 members: 6 officers, 48 members elected on a geographical basis for staggered terms of three years, 9 members at large elected for terms of three years, 46 presidents of state societies of certified public accountants (several state and territorial presidents are not members of the Institute), and 24 past presidents of the Institute, of the American Society of Certified Public Accountants

and of their various predecessor organizations.

The 48 elected members of Council, not more than six of whom may be residents of one state, are nominated by a nominating committee, which under the by-laws first selects the states entitled to representation in a particular year, then mails a questionnaire to all the members in all those states asking for recommendations, and acts in accordance with the result. Nominees are elected by the membership at annual meetings. Provision is made for alternative nominations.

The 9 members at large are nominated by the nominating committee on the basis of personal contributions to the profession, without regard to geographical considerations, 3 each year for a term of three years. At present 3 are in New York, and one each in Connecticut, Missouri, Pennsylvania, Texas, Utah, and Virginia.

Past presidents, of whom a number are inactive, are distributed as follows: New York 9, California 3, Illinois 2, and one each in Colorado, Indiana, Michigan, Minnesota, Missouri, Ohio, Oklahoma, Pennsylvania, Tennessee, and Texas.

### What the Council Does

The Council adopts budgets twice a year, elects auditors, and elects the executive committee which controls operations between meetings of the Council. The members of the executive committee this year are from the states of California, Connecticut, Florida, Illinois, Massachusetts, New York, North Carolina, Texas, and Virginia. The Council also elects the board of examiners, committee on admissions, committee on professional ethics, trial board, and 2 of the 7 members of the nominating committee (the other 5 being elected on the floor of the annual meeting).

Council also elects the executive director, who is head of the staff.

All other committees are appointed by the president, customarily with the advice of the executive committee, with a view to fair geographical and firm representation, competence for the job

in view, and recognition of services already rendered.

All committees, the treasurer, and the executive director report fully to the Council, which approves, modifies, or disapproves each report. The Council holds regular semi-annual meetings. The spring meetings last four days; the fall meetings one and one-half days.

### Committees

There are now 42 committees, including 536 members, which supervise all the operations of the Institute. No new activity is undertaken without clearance with the appropriate committee. Important activities, or important questions of policy, or actions involving unbudgeted expenditures must be cleared with the executive committee and ultimately with the Council.

The staff is entirely an executive organization. It has no authority to decide questions of policy, and no public statement or important communication is issued by the staff without clearance with the appropriate committee. All staff activities are supervised by committees, and senior members of the staff act as consultants and secretaries to the committees.

A good deal of committee work is handled by correspondence due to the geographical dispersion of committee members, but the extent of committee activity is indicated by the following list of committee meetings which have been held between the close of the annual meeting in California, November 3, and January 31 when this was written:

November 18	Committee on Accounting Procedure
December 2	Board of Examiners
December 5	Executive Committee
December 6	Committee on Public Relations
December 8	Committee on Wages and Hours
December 9	Committee on Meetings
December 16	Committee on Auditing Procedure
December 16	Committee on Admissions
December 19	National Conference of Lawyers and CPA's
January 4	Committee on Foreign Affairs
January 13-14	Committee on Accounting Procedure

### REPORT ON COLLEGE TESTING PROGRAM

The spring program for colleges, recently announced by the Institute committee on selection of personnel, will include two testing periods. To assist cooperating institutions which require complete records of seniors for early recruiting visits of personnel representatives, a new two-hour achievement test will be offered. This test is a condensed version of the standard Achievement Test, Level II-A. The latter test remains available for first, second, and third-year students and for institutions wishing to test seniors at a time nearer the completion of their course. Seventy-nine schools and colleges participated in the testing program last fall, compared with 63 a year ago. They administered 14,545 individual tests. About two-thirds of this total were scored by the Institute project office.

January 20	Committee on Cooperation with Bankers
January 23	Committee on Meetings
January 25	Committee on Technical Sessions
January 30-31	Committee on Federal Taxation

### How Can Members Participate?

How can an individual member, one of nearly 15,000, make his voice heard in shaping policies of his national professional organization, or object to what is being done, or recommend a new or better procedure? There are many ways.

An effective way is to write to the president, the executive director, or the appropriate committee, as may seem best in the circumstances. On a major question any member can speak his mind on the floor of the annual meeting. He can communicate his views to the Council member or members representing his state. He can attempt to have his own state society support his view by resolution which will be transmitted through its president as a member of Council of the Institute. He can write a letter to THE CERTIFIED PUBLIC ACCOUNTANT or to *The Journal of Accountancy*, if appropriate.

Is this sort of information of interest to members? If so, we'll gladly bring more. Suggestions of specific topics will be welcome.

### COOPERATION WITH BANKERS TRANSLATED INTO ACTION

Certified public accountants and commercial bankers throughout the country should become better acquainted, it was unanimously agreed by committees representing the American Institute of Accountants and Robert Morris Associates, national organization of bank credit men, at a recent meeting in New York.

As part of the accountants' contribution to the current cooperative program, complimentary copies of a booklet listing names of all practitioners and public accounting firms represented in the Institute membership have been sent to bank presidents and bank credit officers. (See details elsewhere in this bulletin.) The Institute committee also believes that a new pamphlet describing audits by certified public accountants, scheduled for publication this spring, will be helpful to bankers. Iowa Society of Certified Public Accountants listed 25 specific ways accountants can help bankers, following a recent survey.

The bankers' committee announced several projects, recently completed or in progress, which should be beneficial to accountants. A four-page folder entitled *Your Audit—What It Should Contain*, prepared by Carolina-Virginias Chapter of Robert Morris Associates, urges greater uniformity in financial information submitted to banks and emphasizes advantages of a "thorough audit by a competent accountant." The RMA chapter and state societies of certified public accountants in this area have distributed copies to their membership. Local banks have sent copies to commercial customers. The national RMA committee is developing a pamphlet for bank customers entitled *What a Banker Wants in an Audit Report for Credit Purposes*. This booklet is expected to encourage unrestricted audit engagements which permit accountants to conform to generally accepted procedures and present unqualified certificates.

Success of the cooperative program depends on participation by state and local organizations of accountants and bankers. State societies of certified public accountants and their chapters can help by exchanging speakers or conducting joint meetings with local chapters of Robert Morris Associates.

## MEMBERS ELECTED JANUARY 31, 1950

**Alabama**

Wm. R. Anchors, Jacksonville  
Thad Partridge, Mobile  
Lindsay C. Smith, Birmingham

**Arizona**

Ethel W. McNinch, Phoenix

**Arkansas**

Frank L. Eaton, Little Rock  
R. L. McQueen, Little Rock  
N. B. Weedman, El Dorado

**California**

Calvin P. Andrews, Los Angeles  
Harry W. Barbour, Los Angeles  
Jorgen Bohn, San Francisco  
Harold W. Chapman, Riverside  
Robert C. Davis, Los Angeles  
Richard M. De Smet, Pasadena  
Hugh J. Fitzpatrick, Santa Rosa  
Stanley Grydyk, San Francisco  
Fred J. Held, Hamilton  
Hugh V. Hunter, Hollywood  
Harry E. Meade, San Francisco  
Arnold Rue, Stockton  
Attilio P. Ruggiero, San Francisco  
Edward Stone, Beverly Hills  
Frederick J. von Husen, San Francisco  
Eugene C. Wheary, San Francisco

**Colorado**

Sidney Milzer, Denver

**Connecticut**

Genevieve Marie Bohan, New Haven  
Mario L. Solari, Hartford

**District of Columbia**

Joseph Bernstein, Washington  
Louis O. Cox, Jr., Washington  
William Francis Hughes, Washington  
Robert Edward Stanton, Washington

**Florida**

Pendleton R. Armstrong, Jacksonville  
W. J. Burke, Miami  
Theodore F. Chive, Tampa  
Donald G. Craft, Panama City

**Georgia**

Sam DuBose, Waycross  
Edwin Haldon Johnson, Sr., Augusta  
Carl Spraggins, Atlanta

**Illinois**

Ralph L. Cohen, Chicago  
Elmer G. Etscheid, Chicago  
Sidney Ira Freeman, Chicago  
Harry C. Fritz, Jr., Chicago  
Seymour P. Golden, Rock Island  
Abe Myron Goldrich, Chicago  
Hyman W. Gurolnick, Chicago  
Anton E. Kruczic, Chicago  
Frank D. LaMonte, Jr., Chicago  
Michael N. Lompert, Chicago  
Kullervo Louhi, Chicago  
Sidney Manowitz, Chicago  
Lloyd C. Stevenson, Peoria  
George P. Zenner, Chicago

**Iowa**

Marvin R. Selden, Jr., Des Moines

**Kansas**

D. E. Rasmussen, Topeka

**Kentucky**

Sylvan Samuels, Louisville

**Louisiana**

Harris J. Chustz, Baton Rouge

**Maryland**

Robert A. Howard, Baltimore

**Massachusetts**

Frederick H. Dodkin, Lawrence  
Duncan Edmands, Boston  
Thomas G. Lynch, Boston  
Herbert A. Milk, Boston  
Thomas L. Morison, Boston  
Alfred E. Read, Springfield  
Jacob I. Sherman, Boston

**Michigan**

Frank W. Andux, Detroit  
Donald H. Armstrong, Detroit  
C. R. Bond, Jackson  
Albert E. Cole, Detroit  
William G. Currott, Detroit  
Clement F. Fleury, Iron Mountain  
Maurice S. Hahn, Ann Arbor  
John S. Heil, Jr., Detroit  
Frederick C. Janz, Detroit  
Leonard Robert Lazar, Detroit  
Gilbert L. Lee, Jr., Ann Arbor  
Alan Bruce Matthews, Detroit  
Kenneth A. Polansky, Adrian  
H. Donald Reed, Detroit  
George M. Sharpe, Benton Harbor  
Geo. W. Smith, Detroit  
Donald H. Sutherland, Plymouth  
Martin Brock Wagoner, Grand Rapids  
George F. Zimmerman, Detroit

**Minnesota**

Stanley Carlson, Marshall

**Mississippi**

Lamar G. Rogers, Natchez  
William Brewer Tucker, Greenwood

**Missouri**

Francis N. Becker, St. Louis  
Arnett E. Burrow, St. Louis  
Max Cohen, St. Louis  
John P. Fechter, St. Louis  
Lawrence J. Foster, St. Louis  
Clarence O. Hardy, St. Louis  
Henry S. Levy, St. Louis  
Louis R. Levy, St. Louis  
William H. Miller, Kansas City  
Catherine H. Mueller, St. Louis  
Milton F. Napier, St. Louis  
Fred B. Nelson, Kansas City  
Louis Nussbaum, Kansas City  
Robert H. Scott, Joplin  
Hilda Buxbaum Soule, St. Louis  
Clarence A. Speer, St. Joseph  
James G. Stables, Hannibal  
Haddon C. Stosberg, Kansas City  
Louis M. Weltman, St. Louis  
Tracy B. Whitton, St. Louis  
Roy A. Wilhelmsen, Kansas City

**Montana**

W. M. Henry, Missoula

**New Jersey**

Bernard Bachman, Newark  
Harold Bass, Montclair  
Morris Cohen, Newark  
Samuel J. M. Testa, Teaneck

**New Mexico**

L. E. Thompson, Jr., Albuquerque

**New York**

Edwin M. Appel, New York  
Maurice M. Baer, New York  
Seymour S. Berdon, New York  
Franklyn R. Bonnett, New York  
Frances Catherine Bruce, New York  
Donald K. Charlesworth, New York  
Robert Carter Chilton, New York  
Herbert C. Clough, Jr., New York  
Chester T. Cook, Hicksville  
Walter M. Daly, New York  
Alan W. Drew, New York  
Rubin Edelstein, New York  
Julian Eisenstein, New York  
Emil Friedman, New York  
Howard W. Friedman, New York  
John A. Greene, Jr., New York  
Edward J. Herlihy, Glens Falls  
C. Gordon Higgins, Brooklyn  
Henry Husni, New York  
Daniel K. Kast, New York  
Anthony A. Keenan, New York  
David L. Kessler, Albany  
Sanford J. Leftert, New York  
Irving C. Lippman, New York  
Bernard Dominic Marren, New York  
Thos. J. McCarrick, Rochester  
Jacob Meresman, New York  
Peter Pirnie, Jr., New York

Robert D. Preston, Jr., New York  
Gustave A. Reh, Jr., New York  
Peter J. Shedden, New York  
George H. Staples, New York  
Vernon Steensland, Syracuse  
Philbert Weimper, New York

**North Carolina**

Roy D. Apple, Burlington  
Charles N. Briley, Charlotte  
W. Burton Hair, Burlington  
Richard H. Llewellyn, Greensboro  
Lonnie R. Shuping, Raleigh

**Ohio**

Ruben E. Cohen, Cincinnati  
William S. Fry, Dayton  
Joseph A. King, Toledo  
John William LaFrance, Toledo  
Elmer G. Reisland, Cleveland  
J. Arthur Sohn, Cincinnati

**Oklahoma**

Paul E. Gathers, Oklahoma City

**Oregon**

James W. Callahan, III, Medford  
Charles F. Larson, Jr., Eugene  
G. J. Moshofsky, Portland  
Earl J. Silva, Jr., Portland

**Pennsylvania**

Wilma Barbara Andrade, Scranton  
Herman Blumenthal, Philadelphia  
Herman B. Blumenthal, Philadelphia  
Walter T. Brown, Philadelphia  
J. H. Daly, Jr., Philadelphia  
Aubrey C. Dickson, Jr., Philadelphia  
Richard A. Hobday, Lancaster  
Herbert G. Jones, Pittsburgh  
J. R. Malone, Philadelphia  
George E. Marak, Pittsburgh  
John A. Marcacci, Pittsburgh  
Leon E. Nark, Harrisburg  
Herman R. Schnell, Philadelphia

Andrew G. de Sherbinin, Philadelphia  
Harry J. Strable, Philadelphia  
Irvin Wertheimer, Philadelphia

**Rhode Island**

Ronald W. Lawton, Providence  
Gerard J. Quinton, Providence

**South Carolina**

Max M. Tanenbaum, Charleston

**Tennessee**

R. A. Carpenter, Knoxville  
Nathan E. Underwood, Chattanooga

**Texas**

Winslow Vernon Bain, Houston  
Jarman Bass, Houston  
Roy A. Beaver, Corpus Christi  
Leslie H. Blair, Houston  
Charles W. Curry, Harlingen  
H. P. Dosier, Pampa  
Andrew C. Gladden, Houston  
J. Carter Henson, Houston  
Charles W. Johnson, Houston  
Vernon H. Petersen, San Antonio  
J. S. Rasberry, Houston  
Louis Sines, Amarillo  
William T. Townsend, Dallas

**Utah**

Theron B. Lee, Brigham City

**Washington**

I. A. Brown, Vancouver  
Robert R. Helm, Seattle

**Wisconsin**

Robert C. Anderegg, Milwaukee  
Don W. Loeffler, Milwaukee  
Robert J. Mallon, Green Bay  
Morris Pivar, Milwaukee  
Joseph Ward Van Camp, Jr., Milwaukee

**Wyoming**

Alfred Christensen, Casper

## APPLICANTS RECOMMENDED FOR ADMISSION

The committee on admissions has given consideration to applicants for membership in the American Institute of Accountants and recommends the admission of 52 applicants who have been accorded credit for having passed examinations acceptable to the committee on admissions and 148 applicants who have passed the uniform examination for the CPA certificate in participating states.

**Arizona**

Clark C. Ford, Tucson

**Arkansas**

Vernon C. Porter, Magnolia

**California**

Kenneth W. Ball, Los Angeles  
Lawrence Bastianon, San Francisco  
Herbert Block, Los Angeles  
Louis M. Clark, Los Angeles  
Gael O. Crowell, Santa Barbara  
John O. Evans, San Francisco  
Nome A. Ferguson, San Jose  
Walter Joe, San Francisco  
Morton Koffman, Los Angeles  
Hugh E. McMahon, Berkeley  
Patrick J. Meagher, San Francisco  
John F. O'Keefe, San Francisco  
George R. Reed, San Francisco  
Frank J. Reget, Los Angeles  
Donald E. Scarf, San Francisco  
Charles R. Schultz, Los Angeles  
Frank Theodore Sherlock, San Diego  
John Gerald Strohm, Fresno  
H. Lee Van Hoozer, Culver City  
Dale B. Wolfe, San Francisco  
Robert Benjamin Young, San Francisco

**Colorado**

Walter E. Hentges, Colorado Springs  
Philip J. Schuele, Denver

**Connecticut**

Louis I. Cohen, Bridgeport  
Joseph J. Hartnett, New Haven  
Frank C. McGlinchy, Sandy Hook  
Norbert S. O'Neil, New Haven  
Francis F. Rodican, New Haven  
Leonard Srebnick, Bridgeport

**District of Columbia**

Leo S. O'Connell, Washington

**Georgia**

Homer A. Black, Athens  
Jesse Holliday Bryan, Augusta  
John F. Burke, Athens  
Ellis P. Davis, Thomasville  
William B. Eidson, Atlanta  
J. T. Moss, Atlanta  
Robert S. Perry, Athens  
Edward Richardson, Jr., Atlanta

**Illinois**

Marvin L. Channon, Chicago  
Jack C. Ellis, Peoria  
Donald Warren Engdahl, Chicago  
Hester Ellen Erb, Chicago  
James S. Hayles, Chicago  
Joseph E. Moran, Chicago  
William J. Sommer, Chicago

**Indiana**

Milton E. DeVoe, Indianapolis

**Iowa**

C. Kenneth Anderson, Ottumwa  
Larry R. Chemberlin, Des Moines  
Marlyn W. Gillespie, Des Moines  
E. F. Volberding, Des Moines

## FIRM ANNOUNCEMENTS

• **S. BEDERSON & Co.**, 45 Branford Place, Newark, New Jersey, announce the admission to partnership of Samuel Rosenberg and Bernard Papier, and a change in the firm name to Bederson, Rosenberg and Papier.

• **HAROLD M. BERLFEIN** announces the opening of an office at 9538 Brighton Way, Beverly Hills, California.

• **HARVEY T. CASBARIAN** announces the opening of an office at 20 West Franklin St., Baltimore 1, Maryland.

• **CHARLES O. GUNTHER, JR.**, announces that George O. Sparks, Jr., has become a member of the firm of Bartels & Spamer, 307 American Building, Baltimore 2, Maryland.

• **HARRY E. HURST** and **MILTON F. SPARROW** announce the formation of a partnership under the firm name of Hurst and Sparrow, with offices at 125 Mayes St., Jackson, Mississippi. (Mailing address: Box 4440, Fondren Station.)

• **KERBER, ECK & BRAECKEL** and **Henry C. HELM** announce the consolidation of their accounting practices and the formation of a partnership under the firm name of Kerber, Eck, Braeckel & Helm, with offices in the Landreth Building, 320 North Fourth St., St. Louis 2, Missouri, and the Myers Building, Fifth and Washington, Springfield, Illinois.

• **KNUST, EVERETT & CAMBRIA**, with offices at 15 Lewis St., Hartford, Connecticut, and in the Middletown Savings Bank Building, Middletown, Connecticut, announce the admission of Edgar J. Cossette, Jr., as a partner of the firm.

• **STANLEY L. LANE** announces the opening of an office at 40 Court St., Boston.

• **LEACH, CALKINS & SCOTT** announce the removal of their Richmond, Virginia, office to Suite 311 Mutual Building.

• **G. WILLIAM MOORE** announces the opening of an office at 200-202 Merchants National Bank Building, Aurora, Illinois.

• **SALTMARSH, CLEAVELAND & GUND** announce the removal of their office to 6 West Chase St., Pensacola, Florida.

• **TOUCHE, NIVEN, BAILEY & SMART** announce the opening of an office at 405 Montgomery St., San Francisco.

• **SEYMOUR S. WARADY** and **BERNARD DAVIS** announce the formation of a partnership to be known as Warady & Davis, with offices at 110 South Dearborn St., Chicago 3.

• **WHITFIELD & LEO**, Cascade Building, Portland 4, Oregon, announce that LeRoy A. Hewitt has withdrawn from the partnership. Herbert O. Whitfield and Gene E. Leo will continue to practice under the present firm name.

• **CHARLES M. WILKINS** and **ALVIN W. SCHONE** announce the formation of a partnership under the firm name of Charles M. Wilkins & Co., with offices in the Lashley-Persons Building, Boulder, Colorado, and the Lyric Theatre Building, Fort Collins, Colorado.

• **GEORGE F. WINTERS & COMPANY**, National Bank of Tulsa Building, Tulsa, Oklahoma, announce that George H. Gustafson and Charles J. Green have been admitted to partnership.

### Kansas

Howard L. Fulk, Topeka  
Kenneth K. Haurry, McPherson  
Robert Arthur Haurry, Newton

### Kentucky

Curtis D. Pittman, Louisville  
Marc Stuart, Jr., Louisville

### Louisiana

George A. Coiron, Jr., New Orleans  
Arthur Fort, New Orleans  
Robert E. Holladay III, Ruston  
Taylor W. O'Hearn, Shreveport  
James M. Owen, Baton Rouge

### Maine

Russell E. Brooks, Bangor

### Maryland

Nathan Eisenberg, Baltimore  
E. A. Queen, Jr., Baltimore  
George O. Sparks, Jr., Baltimore

### Massachusetts

Martin J. Gallagher, Worcester  
Robert R. Lepak, Springfield  
Urban Robert, Boston  
Paul M. Stone, Boston

### Michigan

Aubrey B. Hicks, Detroit  
Roland Ellwood King, Detroit  
Robert E. Pell, Detroit  
Harlon D. Rowe, Detroit  
Gordon W. Sleeper, Detroit  
Winfield Scott Sweet, Flint  
William Young, Detroit

### Minnesota

Ermin Jerome Windschill, Tracy

### Mississippi

Wendell P. Trumbull, University

### Missouri

Wm. G. Gibson, Kansas City  
Robert F. Harte, St. Louis  
T. D. Kennedy, Kansas City  
Omer C. Kleinschmidt, St. Louis  
N. L. Machos, St. Louis  
Howard Patrick Maloney, St. Louis

Joseph A. McCarthy, Jr., St. Louis  
John Francis McDonnell, Kansas City  
William Judge Rothweiler, St. Louis  
Ivan Francis Sweeney, Kansas City  
Dennis West, Kansas City  
Paul F. Wilke, St. Louis

### New Jersey

Abe A. Cogan, Newark  
John H. Laports, Newark  
Samuel I. Potter, Plainfield  
David J. Shewitz, Newark

### New York

Sebastian A. Albrecht, Farmingdale  
Arthur Andersen, New York  
Cornelius F. Bastable, New York  
A. David Bernstein, New York  
Robert H. Birkhold, New York  
Daniel Bloom, New York  
Samuel Bloom, New York  
Robert F. Bonagura, Brooklyn  
Herbert J. Cohn, New York  
Daniel J. Conroy, New York  
John Edward Daly, New York  
Virginia L. Diehl, New York  
Gerald T. Donahue, New York  
Walter J. Doyle, New York  
Saul S. Freeman, New York  
Frederick G. Gaugh, New York  
Frederic G. Greenberg, New York  
Robert L. Hartlieb, New York  
William Hartz, New York  
John Hastings, Albany  
Lewis A. Helphand, New York  
Jacob M. Holtzman, New York  
Howard Kaplan, New York  
Frederick E. Kochner, New York  
Irving Kuller, New York  
Howard Kurtz, New York  
Harry Kurzer, New York  
Joseph H. La Cour, New York  
A. D. Leidesdorf, New York  
Augustus Morris, New York  
E. G. Murphy, Brooklyn  
Allan D. Pallin, New York  
Charles F. Reinhardt, New York  
Robert R. Richards, Rochester  
A. Harris Rosenblum, New York  
James J. Rush, New York

Charles L. Sanders, New York  
Seymour Schneidman, New York  
Herbert H. Schueller, New York  
Fred Schwartzstein, New York  
Lee F. Sepin, New York  
George J. Singer, New York  
Leigh M. Tepper, New York  
James W. Walsh, New York  
Walter Yohalem, New York

### North Carolina

M. P. Witherington, Statesville

### Ohio

Irvin Alford, Cleveland  
Walter F. Behler, Cincinnati  
Russell G. Fox, Cleveland  
Sven A. Langmack, Cleveland  
Arthur W. Mohlman, Cincinnati  
Fred S. Morrison, Cincinnati  
Milton A. Tuber, Canton  
Lawrence M. Walsh, Cincinnati  
Ralph Young, Cincinnati

### Oklahoma

Martin F. Bednar, Norman  
Lloyd K. Bendure, Lawton  
John M. Rogers, Oklahoma City  
William F. Styler, Jr., Tulsa  
E. L. Tetrick, Tulsa  
Will T. Wright, Enid

### Oregon

James I. Elliott, Salem  
Glen P. Porter, Jr., Eugene

### Pennsylvania

James Alfred Armstrong, Jr., Harrisburg  
Irwin Berk, Philadelphia  
Lorenzo Lee Driggs, Pittsburgh  
Howard M. Dunn, Philadelphia  
Richard E. Gable, Philadelphia  
Irving A. Goldstein, Johnstown  
Albert Greenbaum, Philadelphia  
Harold G. Hunsberger, Philadelphia  
William C. King, Erie  
Henry A. Masteller, Philadelphia  
James W. Miller, Pittsburgh

### Tennessee

Keith B. Anderson, Memphis  
Harlan H. Cook, Memphis

### Texas

Fred A. Bryant, Brady  
Eugene D. Burrows, San Antonio  
W. R. Dunning, Fort Worth  
Norman L. Huff, Abilene  
Walter Leach, Brownwood  
Wm. S. Mackey, Jr., Houston  
James H. McGee, Jr., Houston  
W. T. Pickel, Phillips  
David C. Rode, Dallas  
Carl H. Savage, Dallas  
D. Wayne Tidwell, Fort Worth  
Julius W. Watkins, Dallas  
Harold C. Weller, Houston

### Utah

Clair M. Mortensen, Salt Lake City

### Virginia

Emmett H. Powell, Roanoke

### Washington

Robert Leon Block, Seattle  
Theodore E. Larson, Bellingham  
John M. Marshbank, Seattle  
I. McConnachie, Seattle  
James B. Shrader, Yakima

### Wisconsin

Abraham W. Forman, Milwaukee  
E. F. Manske, Manitowoc  
Wm. Ostach, Milwaukee

### Brazil

John Robert Ecker, Rio de Janeiro

### Hawaii

Joseph H. Breuer, Honolulu  
William Logan Higdon, Honolulu

### Philippines

Wm. B. McDonald, Manila

### Puerto Rico

James M. Davis, San Juan  
W. B. Manwaring, San Juan

These applicants do not become members until voted upon by council and declared elected by the president. If protest is to be made against any applicant on the list it should reach the office of the Institute on or before February 28, 1950.



## WARREN W. NISSLEY

Warren W. Nissley of New York City, treasurer of the American Institute of Accountants, died January 17 in Nassau Hospital, Mineola, Long Island, New York, as the result of a heart attack. Born in Middletown, Pennsylvania, 56 year ago, Mr. Nissley was graduated from Princeton University in 1914 with a degree in civil engineering. After several jobs in the public utility business and banking, while he studied accounting at night, he became a staff assistant with the public accounting firm of McArdle, Dorup & McArdle in New York City. In 1921 he joined Arthur Young & Company, and had been a partner of that firm for 22 years.

Mr. Nissley served the nation in both world wars. As an Army officer in World War I, he engaged in combat overseas. In World War II, as Special Consultant to the War Department, he assisted in establishing civilian-operated pilot-training schools on a sound financial basis and in improving procedures for renegotiation of war contracts.

At the 1949 annual meeting of the American Institute in Los Angeles, Mr. Nissley was elected treasurer. Since joining the Institute in 1925, he had been a member of council; chairman of the former committee on placements and of committees on selection of personnel and on cooperation with stock exchanges; and a member of committees on accounting procedure, education, and relations with the Securities and Exchange Commission. He was instrumental in the development of the original bureau for placement, committee on accounting procedure and the research department, committee on selection of personnel, the present testing program for the selection of staff personnel, and the projected personnel reference service.

Mr. Nissley was a director of the New York State Society of Certified Public Accountants, chairman or a member of several of its committees, and a member of the Pennsylvania Institute of Certified Public Accountants. He frequently addressed accounting organizations and was the author of several articles published in *The Journal of Accountancy* and elsewhere.



Warren W. Nissley

Keenly interested in attracting college graduates to public accounting, Mr. Nissley once said: "The quality of service which can be rendered by a professional organization is dependent upon the ability and training of the personnel engaged in the practice of that profession." Although recognizing that enrolment in college is by no means an essential attribute of an educated man, he often remarked: "It is reasonable to suppose that a very large proportion of the individuals who have the native intellectual ability which we require manage to get to college somehow or other."

A few of Warren Nissley's characteristics are suggested by a brief memorandum which he recently wrote in reply to a request for biographical information: "Like to play golf, although not very good at it. Formerly was much interested in racing small sailboats, but find it a bit too uncomfortable at my advancing age. Very fond of symphony music. Like bridge and gin rummy. A CPA since 1923. In public practice since 1919."

## TOWNS IS ACTING TREASURER

Following the death of Warren W. Nissley, Charles H. Towns of New York City, treasurer of the Institute from 1947 to 1949, was appointed by the executive committee to act temporarily in that capacity.

## OBITUARIES

• W. HAROLD EVANS of Dallas, Texas (1942 member) died suddenly on December 24. He was 49 years old. Mr. Evans, a member of the Texas Society of Certified Public Accountants, was born in Hillsboro, Texas, but had lived in Dallas since 1925. Formerly a partner in the public accounting firm of Culler & Evans, at the time of his death he was practicing under his own name.

• JOHN H. HAIRE of Philadelphia (1930 member) died of heart failure at his home in Sharon Hill, Pennsylvania, on October 31. A graduate of Girard College, he became a certified public accountant of Pennsylvania in 1928 and was a member of the Pennsylvania Institute of Certified Public Accountants. Mr. Haire had been a partner in the public accounting firm of Lawrence E. Brown & Co. for about 30 years.

• VERNON J. MAPES (1946 member) died of a heart attack in his home in Beverly Hills, California, while sleeping, late in November. His age was 49. Born in Staples, Minnesota, Mr. Mapes studied at the University of Minnesota; State Teachers College at River Falls, Wisconsin; and the University of Southern California. From 1919 to 1938, he held clerical and accounting positions with transportation companies, and had since been engaged in public accounting practice in Los Angeles.

• HENRY P. SCHUIT of Brooklyn, New York, a member of the American Institute and predecessor organizations since 1917, died October 24 at the age of 74. Born in Grand Rapids, Michigan, Mr. Schuit was graduated from New York University School of Commerce, Accounts and Finance. He entered public accounting in 1909 after experience as a traveling auditor for Booth Fisheries Company.

• CHARLES G. TOUSE of Bay City, Michigan (1924 member) died suddenly of a heart attack in the yard of his home on December 19. He was born in Hillsdale, Michigan, 54 years ago. Mr. Touse held degrees from Hillsdale College and the University of Michigan, and had been a high-school teacher in Houghton, Michigan, and Bay City. Formerly an associate of the Murray Corporation of America, and a practitioner of public accounting in Bay City, at the time of his death Mr. Touse was a partner in the insurance firm of McCarthy and Touse. He also conducted annual audits for the Bay City public school district.

# THE CERTIFIED PUBLIC ACCOUNTANT

*A Bulletin of the American Institute of Accountants*

MARCH 1950

## CPA's ON TV TAX PROGRAMS

Two telecasts arranged by New York State Society of Certified Public Accountants were presented as a public service by Station WPIX, New York City, February 28 and March 13. The objective was to assist the taxpayer in the last-minute preparation and filing of his income-tax return. Leslie Mills, chairman of the Society's committee on federal taxation, and Miriam I. R. Eolis, committee member, participated. Two chapters of the New York State Society planned similar television programs.

Michigan Association, assisted by the local collector of internal revenue, arranged a telecast over Station WJBK-TV, Detroit, on March 2, featuring preparation of an individual income-tax return. Association members and James F. Deane, assistant collector, appeared on the program.

Other state societies were contemplating television shows as this bulletin went to press. The Institute assisted in producing a tax telecast which was presented by Station WCBS, New York.

## ACCOUNTANTS AID LAWMAKERS

Pennsylvania Institute has surveyed accounting practices of 18 state departments and boards for the Joint State Government Commission, fact-finding agency of the state legislature. Partners and senior staff members of 15 CPA firms participated. Their reports, accompanied by recommendations of a Pennsylvania Institute committee, have been submitted to the Commission for the guidance of legislators.

## Monthly News Letter

● **New Bulletin Interprets Wage and Hour Law.** The Wage and Hour Administrator recently issued a 64-page interpretative bulletin, Part 778, describing overtime-compensation requirements under the new Wage and Hour law and amended regulations.

● **Voluntary Contributions Exceed \$112,000.** Since last August, 2,308 public accounting practitioners and firms have paid or pledged \$112,227 under the voluntary supplementary financing program to expand Institute services. \$67,202 has been donated for activities of the current fiscal year, the balance for 1950-51. Most contributions have been small, consistent with the president's suggested quota of \$3 a year for each accountant in the organization.

● **Practitioners Bill Blocked.** The Administrative Practitioners bill (HR 4446) was automatically removed from the consent calendar, on February 20, when objection to its consideration was made by three House members. This legislation, regulating practice by lawyers and others before federal administrative agencies, cannot be presented again on the consent calendar and probably will not receive further consideration at the current session unless the Rules Committee grants it a special rule. The Institute has supported this bill in its present form.

● **Boston Pops Orchestra To Play for Institute Members.** A concert by the Boston Pops Orchestra, with Arthur Fiedler conducting, will be one of the major entertainment events at the 1950 annual meeting this fall. This famous orchestra is known throughout the world for its annual series of concerts at Boston's Symphony Hall. The 63rd annual meeting is scheduled at the Hotel Statler, Boston, October 25.

● **Third Annual Accounting Employers Conference.** Leaders in education, public accounting, and industry will speak at a program sponsored by the University of Michigan School of Business Administration, Ann Arbor, April 10-11. Discussion topics include relations between colleges and employers, changes in accounting curriculum, initial job contacts, internship in public and private accounting. For more information, write to the school.

[Continued on page 2]

**THE CERTIFIED  
PUBLIC ACCOUNTANT**

Monthly bulletin of the American Institute of Accountants, 270 Madison Avenue, New York 16, N. Y.

**OFFICERS**

President . . . . . J. HAROLD STEWART  
Vice Presidents . . . MAURICE AUSTIN  
                                  GEORGE O. CARLSON  
                                  JAMES I. KELLER, JR.  
                                  MAURICE H. STANS  
Acting Treas. CHARLES H. TOWNS  
Executive Director . . JOHN L. CAREY

**INCORPORATED ACCOUNTANTS  
ELECT NEW SECRETARY**

I. A. F. Craig, deputy secretary of the British Society of Incorporated Accountants and Auditors since 1947, has been appointed secretary of that organization. He succeeds A. A. Garrett who recently retired after serving in that capacity for more than 30 years. Mr. Garrett, who frequently attended meetings of professional societies in various countries, has a wide acquaintance among accountants in the United States and throughout the world. During his term of office, membership of the British society increased from 3,000 to more than 9,000. Upon his retirement, the council elected him an honorary member.

**PUBLIC RELATIONS IDEAS  
FOR STATE SOCIETIES**

New Jersey Society of Certified Public Accountants recently issued two publications of interest to state societies throughout the country: one is a public relations booklet, printed in two colors, entitled *The Certified Public Accountant in New Jersey* which discusses skills and functions of the CPA, his services to business, maintenance of professional standards, objectives and activities of the organization; the other, a membership-promotion folder entitled *Ten Reasons Why You Should Join the New Jersey Society of Certified Public Accountants*, explains why every eligible CPA should become a member of his state society. The New Jersey Society announces that other state societies are welcome to adapt any part of the text of these publications.

**Monthly News Letter** [Continued from page 1]

- **Personnel Tests Ready in April.** Tests prepared by the committee on selection of personnel will be available for use by practitioners and public accounting firms represented in the Institute membership, at their convenience, during the last two weeks in April. A recent letter explained how to conduct these tests.
- **Group Study Symposiums Scheduled.** Several advanced symposiums for practitioners, and for accountants employed in industry, will be arranged by the Institute this spring, summer, and fall. State CPA societies and educational institutions will cooperate. These symposiums, like last year's graduate study conferences, will meet on college campuses. Dates for the spring program at the University of Maryland, announced in the last issue of this bulletin, have been changed to June 26-28. Other symposiums are scheduled at the University of Michigan, Ann Arbor, June 18-20, and at Claremont College, near Los Angeles, July 12-14.
- **Current Practice in Local Government Audits.** Forty-three societies of certified public accountants, answering a questionnaire, recently told the Institute committee on municipal accounting how accounts of local governments are audited in their states and territories. A summary of replies, compiled by the Institute staff, indicates that 18 states prescribe uniform accounting systems; 25 have laws relating to audits by independent accountants; 9 permit substitution of independent audits for audits by state examiners; 12 require independent accountants conducting local-government audits to be licensed or registered by state boards of accountancy or other agencies; 12 consult CPA societies on audit procedures, report forms, uniform accounting methods.
- **Comment on Canadian CPA Proposal.** A group of British Columbia public accountants advocates legislation permitting incorporation of "The Certified Public Accountants Association of British Columbia." In a recent letter to the Premier of the province, the president of the American Institute notes that a professional society of "chartered accountants" already exists there; that experience of the profession in the United States suggests several advantages of a single national organization; and that the name proposed might cause misunderstanding in both countries since the term "certified public accountant" is customarily associated with the profession in the United States and the term "chartered accountant" with the United Kingdom and the Dominions.
- **Tax Committee Members on CBS National Hookup.** At the suggestion of the Institute, Columbia Broadcasting System recently presented a series of five quarter-hour tax programs on the theme "You and Your Income Tax." These public-service broadcasts, unsponsored, originated in New York City at 6.15 P.M. daily from February 27 through March 3 and were scheduled by affiliated radio stations throughout the country. Mark E. Richardson, chairman of the Institute committee on federal taxation, and Thomas J. Green, chairman of the subcommittee on current tax legislation, participated in the broadcasts. Other speakers were J. S. Winkle, senior tax adviser, Bureau of Internal Revenue; Boris Kostelanetz, prosecutor in the *Lustig* tax-fraud case; and Elmer B. Staats, executive assistant to the director, Bureau of the Budget.

# Who Are the Members of the Institute?

by JOHN L. CAREY, Executive Director

THESE are now 14,926 members of the Institute. All but 60 (who were admitted before 1936, when the CPA requirement was adopted) are certified public accountants. Since there are about 35,700 certified public accountants in the country, the Institute includes 41 per cent of them. In 1930, only 17 per cent of the CPA's were members; in 1940, 27 per cent. So the Institute is gaining. (Number of CPA's is increasing about 5,000 a year.)

Who are the present members? More than 10,000 of them (roughly two-thirds) have been members 10 years or less.

One-third of the members (nearly 5,000) are partners in public accounting firms. Slightly less than 25 per cent (more than 3,000) are individual practitioners of public accounting. Slightly more than 20 per cent (just about 3,000) are staff employees of public accounting organizations. Altogether about 78 per cent (11,000 plus) are engaged in public accounting practice.

About 15 per cent (more than 2,200) are employed by corporations, many in top-management positions.

The remainder (less than 1,000), about 7 per cent, are in government service, teaching, and miscellaneous occupations.

There are more than 5,000 public accounting firms and individual practitioners represented in the Institute. What kind of work do the public accounting practitioners do? There is no complete and precise information, of course, but some figures are available which are indicative. Some 400 firms represented in the Institute certified financial statements of companies listed on stock exchanges last year. In these 400 firms are about 3,800 Institute members, about 35 per cent of those in public practice.

But about 1,600 public accounting firms represented in the Institute certified financial statements of about 7,800 companies listed in the 1949 edition of *Poor's Register of Directors and Executives*. (This directory includes only companies having more than 75 em-

ployees, engaged in manufacturing, insurance, or engineering, and having more than strictly local business.) About 100 of these firms had more than 10 Poor's companies as clients. We haven't analyzed the records to ascertain just how many members all these firms account for, but it's a fair guess, considering the limitations of Poor's directory, that well over half of the 11,000-odd practicing members audit and certify financial statements of fairly sizable concerns.

The others undoubtedly do a good deal of auditing work, too, but it may be surmised that they are principally concerned with constructive accounting and tax services to smaller, and principally local, businesses.

What about geographical distribution of Institute membership? The table tells the story:

Northeast: 40%; Central: 29%; South: 16%; Far West: 15%.

Cities over 1,000,000.....	34%
Cities from 500,000 to 1,000,000	15%
Cities from 100,000 to 500,000.....	27%
Cities from 50,000 to 100,000.....	7%
Cities under 50,000.....	17%

How much money do public accountants make? Nobody knows, but again a cross section is available. A confidential questionnaire to a random sample of readers of *The Journal of Accountancy* produced 511 replies from individuals identifying themselves as engaged in public accounting (no doubt including CPA's and non-CPA's, Institute members and non-members, partners, sole proprietors, and staff men). Here is their income distribution:

Annual Income	Number of Individuals	Per Cent of Total
Under \$2,500 .....	20	3.9
\$2,500-\$5,000 .....	159	31.1
\$5,000-\$7,500 .....	100	19.6
\$7,500-\$10,000 .....	89	17.4
Over \$10,000.....	143	28.0

Limited and sketchy as it is, I think this is the most complete factual profile of the public accounting profession that has been put together thus far. We are now trying to find out more about CPA's who are not members of the Institute, which may fill in some of the blank spaces.

Are statistics of this kind of sufficient value or interest to warrant an effort to get more?

## ACTIVITIES OF OFFICERS AND STAFF

Recent speaking engagements:

James I. Keller, Jr., vice president: Miami Chapter, Florida Institute of Accountants, February 20.

Charles H. Towns, acting treasurer: Brooklyn Chapter, National Association of Cost Accountants, January 18.

John L. Carey, executive director: Maryland Association of Certified Public Accountants, February 28.

Carman G. Blough, research director: Special meeting of New Jersey CPA Society, Newark, January 24, Application of Statements on Auditing Procedure No. 23. William D. Crans-toun, member of auditing procedure committee, in panel discussion.

### Institute President Receives Downey Medal

J. Harold Stewart, president of the American Institute of Accountants, recently received the James E. Downey Medal presented annually by the Alumni Association of Boston High School of Commerce to a graduate who has won outstanding recognition in his profession. A citation accompanying the medal notes Mr. Stewart's services as a past president of the Alumni Association, past president of the Massachusetts Society of Certified Public Accountants, Captain in the United States Naval Reserve in World War II, Executive Assistant to the Director of the Navy Department's Cost Inspection Service, Assistant Director of the Office of Contract Settlement, and president of the American Institute—"the highest office in his profession." This medal is named for a former headmaster of Boston High School of Commerce.

# What I Saw at the Institute Office

by JEANNETTE COCHRANE, Executive Secretary  
Illinois Society of Certified Public Accountants

Following a week at Institute headquarters, we asked Miss Cochran to jot down some of her impressions of staff members and their jobs. Here is a visitor's description of a few of the services which the Institute offers to a state society of certified public accountants and to its members.

**Y**OUR invitation to summarize my reactions to the Institute from the perspective of one week's visit raises many questions. What had I seen or learned which would be interesting or new?

To one but briefly oriented in the profession as executive secretary of a state society there is much to absorb in your organization. Though a state society is an entity in its own right, it is also a part of a larger whole—the profession itself. What could—or would—the Institute do for the Illinois Society? How did it function in relation to the profession as a whole? In the process of finding the answers to these questions during my one week's visit, I was struck primarily by (1) the scope of the Institute's operations, (2) the high degree of organization required to accomplish this effectively, and (3) the intense interest of the staff in the profession and its development and growth.

I was much impressed by the fact that the many and varied activities are carried on by people trained and experienced in their own individual fields—their functions coordinated but not restricted. The scope and extensiveness of each of these departments surprised me, as did the long-range program of several of them. I realize now that this is a factor which contributes materially to the vitality and influence of the American Institute. In retrospect, my conception of the operation of the office itself was fantastically inadequate; however, I'm

hiding behind a lack of concrete knowledge and only brief experience.

My introduction to the staff and operation of the Institute came through Charles Noyes. In carrying out the long-range public relations program of the Institute, including publicity, the publication of pamphlets designed to acquaint the public and the profession with the responsibilities of the CPAs, he is also responsible for the State Society Service Department, which includes writing articles and speeches, providing speakers, keeping track of the operation of the state societies, and the handling of a sizable correspondence.

## Departments Headed by Professionals

Though I knew of Mr. Blough's department, and its responsibilities of a highly technical nature, it had not occurred to me that it was practical or important that there be a program involving extensive research on techniques, methods, systems, etc., as well as on current procedures. The scope of this department seemed to me to be indicative of the Institute efforts to aid in the technical progress and development of the profession. This department works very closely with several of the committees of the Institute and seems, as well, to be a part of the over-all public relations program—witness Mr. Blough's extensive speaking engagements. He acts also as a clearing house for all technical inquiries, both from members and non-members.

One of the most interesting discoveries was that the staff, regardless of type of position or responsibility, has not only a tremendous interest in and regard for the profession, but also a genuine desire to be a part of its future development. It had seemed to me that logically only a CPA could be capable of such concern and pride. It was, therefore, most stimulating to talk to Mr. Mason and Mr. Dale, whose activities in advertising and sales promotion for *The Journal* would normally seem rather remote from the field of accounting. I was interested in *The Journal* for obvious reasons, and also because the Illinois Society is planning to sell advertising for the first time in the *Illinois CPA* and, as its business manager, some of the responsibility for the success of the program devolves on me. Mr. Mason and Mr. Dale conducted a short course on this subject for me, and of necessity started with the fundamentals. Their enthusiasm was infectious.

I wonder if the average reader is aware of the fact that in addition to its technical stature, as an advertising medium *The Journal* classifies as "big business" in its own right. A glance through past issues at national advertisers represented confirms this. Its success testifies to the wise editorial management and promotion which make it an instrument of almost incalculable value to the profession. As a potential advertising salesman for the *Illinois CPA*, I hope we may enjoy a comparable success.

Having heard much of the "uniform examination," I was, of course, anxious to learn of its preparation and administration. Here again, I had not realized that there was a Department of Education, headed by an ex-

## CPA's CHECK VOTES IN PR ELECTION

Three American Institute members tabulate ballots at first proportional-representation election in Worcester, Massachusetts. Left to right: Richard P. Smith, Bartholomew J. Murphy, and George F. Shannon.



perienced CPA, Robert Kane, whose duties are considerably beyond those involving the exam itself. The extensive program of analysis of previous examination scores, the preparation of data for use by colleges and universities, and the constant study of the problem of education for the profession enables the Institute to offer counsel and information to schools, state societies, and the general public.

The library of the Institute has a larger and more diversified group of

publications than I had anticipated and is, I am sure, unusual in size for a private collection.

I feel that the time spent in the Institute's office was invaluable to me, and I hope in turn to the Illinois Society. At the end of the week, I felt considerably more familiar with the public accounting profession, in addition to which I had acquired a great deal of information, much of which would have been difficult for me to secure independently.

## Developments in State Legislation

Of 11 state legislatures scheduled to meet this year, nine were in session late in February: Kentucky, Maryland, Massachusetts, Mississippi, New Jersey, New York, Rhode Island, South Carolina, and Virginia. California and Louisiana were scheduled to convene in March and May, respectively. Georgia, which recessed February 19, 1949, with 25 legislative days remaining, reconvened on January 16, 1950, and adjourned sine die on February 13. California and Maryland, which meet annually, are limited to consideration of budgetary, revenue, and financial matters in even-number years. A few recent accounting bills are summarized.

**Georgia.** S. 123, introduced last year, provides for issuance of CPA certificates, without examination, to registered public accountants with 15 years' experience in accounting and auditing. This bill, opposed by Georgia Society of Certified Public Accountants, was amended and passed by the Senate at the recent session but failed to reach the House before adjournment. The text of the amendment, not yet available, is reported to make the bill somewhat less objectionable.

**Kentucky.** S. 89 would amend the accountancy law by increasing the annual fee charged by the State Board of Accountancy for permits to practice public accounting from \$5 to \$15, and granting the Board discretionary authority to revoke or suspend a certificate or registration when payments are in default for three successive years.

Following a poll of all certified public accountants and public accountants holding state permits, in which 301 out of 387 respondents approved the proposed increase in fees, directors of the state CPA society adopted a resolution endorsing both major provisions.

**Massachusetts.** S. 433 would replace the present board of registration of certified public accountants by a state board of accountancy composed of two certified public accountants, two public accountants, and the Commissioner of Education. Separate written or oral examinations would be prepared for applicants for certificates as public accountants. Hearings scheduled in January were canceled, but are expected to be held soon. This legislation, sponsored by Massachusetts Association of Public Accountants, is actively opposed by Massachusetts Society of CPA's. John L. Carey, executive director of the American Institute, attended a meeting of the Society's officers and legislative committee on February 18 at which plans for opposing the bill were discussed.

**New York.** S. 1572 and H. 2172 would allow veterans honorably discharged after not less than 30 days to receive credit toward the experience requirement for the CPA certificate for military service after September 16, 1940.

H. 2173 includes a section similar to the two bills described above. In addition, it provides for issuance of CPA certificates without examination to honorably discharged veterans who

(1) resided in New York State prior to entering the service; and (2) submit, on or before December 31, 1950, evidence satisfactory to the Education Department of having completed a four-year college course majoring in accountancy; or (3) were prevented from completing their course and attaining the experience requirement in the senior year, due to service in World War II.

A. 1004 provides for issuance by the Education Department of certificates to practice as a tax accountant to persons (except licensed lawyers and certified public accountants) passing an examination administered by a board of three examiners appointed by the Board of Regents, effective January 1, 1951. Persons applying for the certificate on or before the effective date, who have been actively engaged in the practice of tax accountancy for more than five years, would receive a certificate of exemption from examination.

**Virginia.** S. 290 proposed to grant a percentage credit on the uniform CPA examination to partially disabled veterans who have completed a four-year college course in accounting with an academic grade of "B" or higher. This legislation, opposed by the state CPA society, was killed in committee.

### Will CPA Firms Help Greek Accountants?

F. P. Keppel, Controller of the Economic Cooperation Administration mission to Greece, asks if public accounting firms in the United States might employ a total of 15 or 20 young Greek accountants, for a year or two, as part of an apprenticeship program. Economic recovery in Greece, Mr. Keppel reports, is obstructed by the absence of an accounting profession. Development of the profession, he believes, will be difficult without the assistance of accountants in other countries. Apprentices would be graduates of Greek business schools with a knowledge of the English language, technical accounting terms, and principles of double-entry bookkeeping. To assist ECA, the Institute invites comments from members.

## MEMBERS ELECTED FEBRUARY 28, 1950

<b>Arizona</b> Clark C. Ford, Tucson	<b>Maryland</b> Nathan Eisenberg, Baltimore E. A. Queen, Jr., Baltimore George O. Sparks, Jr., Baltimore	<b>Ohio</b> Walter F. Behler, Cincinnati Russell G. Fox, Cleveland Sven A. Langmack, Cleveland Arthur W. Mohlman, Cincinnati Fred S. Morrison, Cincinnati Milton A. Tuber, Canton Lawrence M. Walsh, Cincinnati Ralph Young, Cincinnati	<b>Texas</b> Fred A. Bryant, Brady Eugene D. Burrows, San Antonio W. R. Dunning, Fort Worth Norman L. Huff, Abilene Walter Leach, Brownwood Wm. S. Mackey, Jr., Houston James H. McGee, Jr., Houston W. T. Pickel, Phillips David C. Rode, Dallas Carl H. Savage, Dallas D. Wayne Tidwell, Fort Worth Julius W. Watkins, Dallas Harold C. Weller, Houston
<b>Arkansas</b> Vernon C. Porter, Magnolia	<b>Massachusetts</b> Martin J. Gallagher, Worcester Robert R. Lepak, Springfield Urban Robert, Boston Paul M. Stone, Boston	<b>Oklahoma</b> Martin F. Bednar, Norman Lloyd K. Bendure, Lawton John M. Rogers, Oklahoma City William F. Styler, Jr., Tulsa E. L. Tetrick, Tulsa Will T. Wright, Enid	<b>Utah</b> Clair M. Mortensen, Salt Lake City
<b>California</b> Kenneth W. Ball, Los Angeles Lawrence Bastianon, San Francisco Herbert Block, Los Angeles Louis M. Clark, Los Angeles Gael O. Crowell, Santa Barbara John O. Evans, San Francisco Nome A. Ferguson, San Jose Walter Joe, San Francisco Morton Koffman, Los Angeles Hugh E. McMahon, Berkeley Patrick J. Meagher, San Francisco John F. O'Keefe, San Francisco George R. Reed, San Francisco Frank J. Reget, Los Angeles Donald E. Scarf, San Francisco Charles R. Schultz, Los Angeles Frank Theodore Sherlock, San Diego John Gerald Strohm, Fresno H. Lee Van Hoozer, Culver City Dale B. Wolfe, San Francisco Robert Benjamin Young, San Francisco	<b>Michigan</b> Aubrey B. Hicks, Detroit Roland Ellwood King, Detroit Robert E. Pell, Detroit Harlon D. Rowe, Detroit Gordon W. Sleeper, Detroit Winfield Scott Sweet, Flint William Young, Detroit	<b>Oregon</b> James I. Elliott, Salem Glen P. Porter, Jr., Eugene	<b>Virginia</b> Emmett H. Powell, Roanoke
<b>Colorado</b> Walter E. Hentges, Colorado Springs Philip J. Schuele, Denver	<b>Mississippi</b> Wendell P. Trumbull, University	<b>Pennsylvania</b> James Alfred Armstrong, Jr., Harrisburg Irwin Berk, Philadelphia Lorenzo Lee Driggs, Pittsburgh Howard M. Dunn, Philadelphia Richard E. Gable, Philadelphia Irving A. Goldstein, Johnstown Albert Greenbaum, Philadelphia Harold G. Hunsberger, Philadelphia William C. King, Erie Henry A. Masteller, Philadelphia James W. Miller, Pittsburgh	<b>Washington</b> Robert Leon Block, Seattle Theodore E. Larson, Bellingham John M. Marshbank, Seattle I. McConnachie, Seattle James B. Shrader, Yakima
<b>Connecticut</b> Louis I. Cohen, Bridgeport Joseph J. Hartnett, New Haven Frank C. McGlinchy, Sandy Hook Norbert S. O'Neil, New Haven Francis F. Rodican, New Haven Leonard Srebnick, Bridgeport	<b>Missouri</b> Wm. G. Gibson, Kansas City Robert F. Harte, St. Louis T. D. Kennedy, Kansas City Omer C. Kleinschmidt, St. Louis N. L. Machos, St. Louis Howard Patrick Maloney, St. Louis Joseph A. McCarthy, Jr., St. Louis John Francis McDonnell, Kansas City William Judge Rothweiler, St. Louis Ivan Francis Sweeney, Kansas City Dennis West, Kansas City Paul F. Wilke, St. Louis	<b>Tennessee</b> Keith B. Anderson, Memphis Harlan H. Cook, Memphis	<b>Wisconsin</b> Abraham W. Forman, Milwaukee E. F. Manske, Manitowoc
<b>District of Columbia</b> Leo S. O'Connell, Washington	<b>New Jersey</b> Abe A. Cogan, Newark John H. Laporte, Newark Samuel I. Potter, Plainfield David J. Shewitz, Newark		<b>Brazil</b> John Robert Ecker, Rio de Janeiro
<b>Georgia</b> Homer A. Black, Athens Jesse Holliday Bryan, Augusta John F. Burke, Athens Ellis P. Davis, Thomasville William B. Eidson, Atlanta J. T. Moss, Atlanta Robert S. Perry, Athens Edward Richardson, Jr., Atlanta	<b>New York</b> Sebastian A. Albrecht, Farmingdale Arthur Andersen, New York Cornelius F. Bastable, New York A. David Bernstein, New York Robert H. Birkhold, New York Daniel Bloom, New York Samuel Bloom, New York Robert F. Bonagura, Brooklyn Herbert J. Cohn, New York Daniel J. Conroy, New York John Edward Daly, New York Virginia L. Diehl, New York Gerald T. Donahue, New York Walter J. Doyle, New York Saul S. Freeman, New York Frederick G. Gaugh, New York Frederic G. Greenberg, New York Robert L. Hartlieb, New York William Hartz, New York John Hastings, Albany Lewis A. Helphand, New York Jacob M. Holtzman, New York Howard Kaplan, New York Frederick E. Koehner, New York Irving Kuller, New York Howard Kurtz, New York Harry Kurzer, New York Joseph H. La Cour, New York A. D. Leidesdorf, New York Augustus Morris, New York E. G. Murphy, Brooklyn Allan D. Pallin, New York Charles F. Reinhardt, New York Robert R. Richards, Rochester A. Harris Rosenblum, New York James J. Rush, New York Charles L. Sanders, New York Seymour Schneiderman, New York Herbert H. Schueller, New York Fred Schwartzstein, New York Lee F. Sepin, New York George J. Singer, New York Leigh M. Tepper, New York James W. Walsh, New York Walter Yohalem, New York		<b>Hawaii</b> Joseph H. Breuer, Honolulu William Logan Higdon, Honolulu
<b>Illinois</b> Marvin L. Channon, Chicago Jack C. Ellis, Peoria Donald Warren Engdahl, Chicago Hester Ellen Erb, Chicago James S. Hayles, Chicago Joseph E. Moran, Chicago William J. Sommer, Chicago			<b>Philippines</b> Wm. B. McDonald, Manila
<b>Indiana</b> Milton E. DeVoe, Indianapolis			<b>Puerto Rico</b> James M. Davis, San Juan W. B. Manwaring, San Juan
<b>Iowa</b> C. Kenneth Anderson, Ottumwa Larry R. Chamberlin, Des Moines Marlyn W. Gillespie, Des Moines E. F. Volberding, Des Moines			
<b>Kansas</b> Howard L. Fulk, Topeka Kenneth K. Haury, McPherson Robert Arthur Haury, Newton			
<b>Kentucky</b> Curtis D. Pittman, Louisville Marc Stuart, Jr., Louisville			
<b>Louisiana</b> George A. Coiron, Jr., New Orleans Arthur Fort, New Orleans Robert E. Holladay III, Ruston Taylor W. O'Hearn, Shreveport James M. Owen, Baton Rouge			
<b>Maine</b> Russell E. Brooks, Bangor	<b>North Carolina</b> M. P. Witherington, Statesville		

## APPLICANTS RECOMMENDED FOR ADMISSION

The committee on admissions has given consideration to applicants for membership in the American Institute of Accountants and recommends the admission of 34 applicants who have been accorded credit for having passed examinations acceptable to the committee on admissions and 104 applicants who have passed the uniform examination for the CPA certificate in participating states.

**Alabama**  
H. F. Lancaster, Birmingham

**Arkansas**  
Warren Kelley Bass, Little Rock

**California**  
J. J. Allen, Redlands  
Herbert H. Bowman, Lodi  
Henry W. Feil, Los Angeles  
G. F. L. Gardner, Long Beach  
Maurice M. Green, Coalinga  
Austin J. Hanika, San Francisco  
Lawrence M. Horg, Fresno  
Russell J. Knapp, Santa Barbara  
C. C. Legerton, Los Angeles  
Paul R. Pressler, Los Angeles  
F. W. Sellman, San Francisco  
Donald St. John Shaw, Los Angeles  
Albert Talbot, San Francisco

**Colorado**  
Joe B. Cassel, Denver  
Irving S. Hook, Denver

**Connecticut**  
William R. Ford, New Haven  
Paul P. Pjura, Bridgeport

**District of Columbia**  
Arvid C. Anteroine, Washington  
Herman Kozlow, Washington

**Florida**  
Wm. H. Stafford, Tampa

**Georgia**  
William Bernard Houston, Macon  
Elliott C. Serotta, Augusta  
John B. Thomas, Jr., Atlanta  
James K. West, Columbus

**Illinois**  
John Edw. F. Allen, Springfield  
Warren L. Alsberg, Chicago  
C. H. Baxter, Chicago  
Benjamin Q. Beckerman, Chicago  
Eugene Byrd, Chicago  
William A. Crews, Jr., Oak Park  
James P. Joice, Jr., Chicago  
Fredrick Ward Ponsor, Chicago  
Walter F. Reinhart, Peoria  
Jacob Rothbaum, Peoria  
Edward Wilson, Chicago

**Indiana**  
L. A. Easterday, Kokomo  
Donald J. Holmquist, Indianapolis  
James McGahey, Indianapolis

**Iowa**  
John W. Fleer, Council Bluffs

**Louisiana**  
Willard Robertson, New Orleans  
Robert J. Silva, Jr., New Orleans

**Maryland**  
Leroy L. Keys, Sparrows Point  
Stanley A. Racoon, Baltimore  
Marvin S. Williams, Baltimore

**Massachusetts**  
Joseph F. Maggioni, Boston  
Irving H. Straw, Boston

**Michigan**  
Peter A. Duerksen, Detroit  
Chas. E. Grenier, Jr., Detroit

**Mississippi**  
Bernard Harford, Meridian  
Jimmie Marshall O'Neil, Laurel

## FIRM ANNOUNCEMENTS

- **JAMES A COUNCILOR & COMPANY** announce a change in the firm name to Councilor, Buchanan, Mitchell & Hayes, and the removal of offices to the Wire Building, Vermont Avenue and K Street, Northwest, Washington, D. C.
- **FIELD, JACKSON AND INSUA, Monserrate** 261, Havana, Cuba, announces its reorganization under the firm name of Insua & Menendez. William P. Field and Richard Jackson have retired from the firm. Genaro Menendez Menendez has been admitted to partnership. Mr. Field will become a consultant to Insua & Menendez. Mr. Jackson will engage in public practice under his own name.
- **JACK A. GANTMAN & Co.**, with offices in the North American Building, 121 South Broad St., Philadelphia 7, announce that David Wexler has been admitted to partnership.
- **J. H. LEHMANN AND JOSEPH L. ULLMAN**, with offices at 1702-6 Comer Building, Birmingham, Alabama, announce the admission to partnership of Henry I. Barclay, Jr., and a change in the firm name to Lehmann, Ullman and Barclay.
- **MERTON H. LEWIS** announces the opening of an office at Suite 5058 Plankinton Building, 161 West Wisconsin Ave., Milwaukee 2, Wisconsin.
- **HYMAN W. MADNEK** announces the opening of an office for the practice of public accounting at 508 Railway Ex-

change Building, 229 E. Wisconsin Ave., Milwaukee 2, Wisconsin.

- **MAIN & COMPANY**, with offices in Philadelphia and other cities, announce that Joseph C. Hudson has been admitted to the Philadelphia partnership.
- **RODERICK L. MURRAY** announces the opening of an office for public accounting practice at 1101 Wilson Boulevard, Arlington, Virginia. Mail address: Box 309, Arlington, Virginia.
- **ALFRED E. OLSON**, certified public accountant, and **L. R. Johnson** and **Wm. T. Drotzmann**, public accountants and tax consultants, doing business as **E. E. Noreen & Co.**, announce the consolidation of the two firms under the name of **Johnson, Drotzmann, Olson & Co.**, with offices at Rand Tower, Minneapolis 2, Minnesota.
- **PRICE, WATERHOUSE & Co.** announce the removal of their Washington, D. C., office to Suite 1200 Wire Building; 1000 Vermont Ave., Northwest; Washington 5.
- **AARON M. ROSE** announces the formation of the firm of **A. M. Rose & Company** with offices at 1027 Bankers Securities Building, Juniper and Walnut Sts., Philadelphia 7.
- **QUINLAN J. SHEA** announces the removal of his office from 49 Westminster St., to 15 Westminster St., Providence 3, Rhode Island.
- **H. IVOR THOMAS AND HARRY W. MOORE** of **Thomas & Moore**, 215 West 7th Street, Los Angeles 14, California, announce the admission of **G. W. Barfield** and **Fred E. Rhodes** as general partners.

## STATE SOCIETY NEWS

Arizona's program of supplying information to magazines and newspapers produced an article entitled "Your Income Tax—Don't Pay Too Much," published in the January issue of *Arizona Restaurateur*. It explains federal income-tax deductions for restaurant owners.

Connecticut and Iowa will present annual awards to highest-ranking accounting graduates of accredited institutions offering majors in accounting; Connecticut also announces a gold medal for the successful first-time candidate receiving highest average grade in semi-annual uniform CPA examination.

Los Angeles Chapter's public information committee compiled a "tax calendar" listing filing dates, at the request of Pasadena Chamber of Commerce.

## PUBLIC RELATIONS COUNSEL WRITES BOOK ON PR

Stephen E. Fitzgerald, Institute public relations counsel, is the author of a new book entitled *Communicating Ideas to the Public*, designed to assist business executives to understand the proper uses of public relations techniques. This volume was published by Modern Industry Press, 347 Madison Avenue, New York City, in cooperation with Funk and Wagnalls.

### Missouri

David Hansford Cross, Kansas City  
George O. Owings, St. Louis  
Frank L. Pelot, Jr., Kansas City  
K. L. Weary, Jr., Kansas City

### Nebraska

Delmar A. Lienemann, Lincoln

### New Jersey

Gerald S. Krasner, Dover  
John J. Letzerich, Short Hills  
Michael A. Stavitsky, Newark

### New York

Earl A. Betz, New York  
Bernard Bolhower, New York  
George E. Buckbee, New York  
E. R. Burhenne, New York  
Robert L. Burton, New York  
Desmond, L. Crawford, New York  
Clemens Allen Erdahl, New York  
Sol Federgreen, New York  
Isidore Feldman, New York  
Louis Goldenberg, New York  
Vitaly M. Gottlieb, New York  
George G. Havasta, New York  
Stanley Levinson, New York  
Julius Nathan, New York  
John H. Regazzi, New York  
William C. Reynolds, New York  
Norman Samuel Siegel, New York

Saul S. Silverman, New York  
Seymour Smallberg, New York  
Paul M. Trueger, New York

### North Carolina

Thomas E. Gatewood, Kinston

### North Dakota

Sidney E. Holaday, Jamestown

### Ohio

Stanley J. Berberich, Cincinnati  
Einar A. Erickson, Cleveland  
Donald Garrison, Middletown  
Edwin J. Hardy, Canton  
Fred G. Maurer, Cleveland  
Charles C. Muhlbach, Columbus  
W. Earl Phillips, Cincinnati  
Grant H. Rinehart, Fremont  
Sidney X. Sussman, Toledo  
Henry Wagner, Jr., Dayton  
Arthur L. Weinreich, Dayton

### Oklahoma

Theodore G. Coursault, Oklahoma City

### Oregon

Theodore W. Cauthorn, Portland  
John Spencer Crawford, Portland  
Roger A. Emrich, Portland  
Philip K. Hintz, Portland  
Harold V. Olson, Portland

Glenn H. Payne, Bend  
A. Leighton Platt, Portland  
John L. Watson, Corvallis

### Pennsylvania

James E. Edwards, Philadelphia  
John J. Eisenberg, Philadelphia  
James R. Kane, Reading  
Louis R. Palitz, Philadelphia  
Milton J. Savar, Philadelphia  
Allen Speiser, Philadelphia  
Harmon M. Webb, Philadelphia

### Rhode Island

John E. Heald, Pawtucket

### Tennessee

Herman D. Bradley, Nashville  
Jack S. Draper, Memphis

### Texas

Harroll H. Adams, Waco  
Neil K. Alexander, Austin  
E. N. Cappleman, Galveston  
Chester R. Cloudt, Houston  
Arthur Greenspan, Beaumont  
Jack Hays, Amarillo  
James A. Krause, Houston  
Maurice C. Langford, Fort Worth  
J. A. Martin, Dallas  
Wesley Harvey Phillips, Kilgore  
Charles M. White, Jr., Houston

### Utah

Loren I. Burr, Salt Lake City

### Washington

William V. Groeger, Seattle  
James L. Hogan, Seattle  
Mason M. Jones, Seattle  
Laurence D. Morse, Spokane  
Elbert D. Peasley, Seattle

### West Virginia

Carl Dean Gramlich, Parkersburg

### Wisconsin

Norman J. Fischer, Milwaukee  
Olaf Knudsen, Milwaukee  
Earl V. Reuschlein, Madison  
Eugene F. Small, Racine

### Hawaii

David O. Gillette, Honolulu  
Stanley L. Prescott, Honolulu  
John H. Rhys, Honolulu

### Italy

James Myers, Jr., Rome

These applicants do not become members until voted upon by council and declared elected by the president. If protest is to be made against any applicant on the list it should reach the office of the Institute on or before March 31, 1950.



## TWO VIEWPOINTS ON SOCIAL SECURITY

One provision of the Social Security bill (HR 6000), which passed the House last year and is before the Senate Finance Committee as we go to press, would extend old-age benefits to self-employed persons including certified public accountants (although they are not mentioned in the bill), but would exclude lawyers, physicians, and members of other specified professions. A ballot was sent to individual practitioners and public accounting firms represented in the Institute membership, to find out whether a majority preferred the coverage or exemption with other professional groups. Replies showed such a close division of opinion that the executive committee decided not to propose an amendment to HR 6000. Discussion of the question in recent issues of this bulletin produced many letters expressing conflicting viewpoints. Excerpts from two of these letters, quoted below, summarize contentions most frequently presented on both sides.

### *In Favor of Excluding CPA's*

"The writer is unable to understand why certified public accountants have attempted for years to place themselves on a professional basis and yet refuse to support an amendment to place themselves with legal and other professions for exemption under the Social Security bill.

"I just cannot conceive of an opportunity for the advancement of our position as a profession being sacrificed for a pot of gold at the end of the rainbow.

"I also suggest that the Institute not stop at this point, but continue its educational program in the hope of getting over to the membership the necessity to recognize responsibilities of a profession (if accountancy should be classed as a profession)."

M. R. Lindsey  
Amarillo, Texas.

### *In Favor of Coverage for CPA's*

"While partners of the larger or national firms are probably in such a position that upon reaching retirement age they will either have a con-

## OBITUARIES

● **EARL A. WALDO** of Minneapolis, a vice president of the Institute in 1944-1945 and a member of Council for about 10 years, died in Abbott Hospital on February 3, following a heart attack at his office. Born in Minneapolis 53 years ago, Mr. Waldo remained a resident of that city throughout his life. His education included courses offered by the University of Minnesota School of Business and LaSalle Extension University. After early jobs as a salesman, bank clerk, discount teller, and accountant, he entered public accounting practice in 1921. For a number of years he had been a partner of Boulay, Anderson, Waldo & Co., certified public accountants.

Mr. Waldo was a leader in various professional and civic organizations. Joining the Institute in 1928, he became chairman of its committee on professional ethics and, at the time of his death, was chairman of the committee on by-laws. He was a past president of Minnesota Society of Certified Public Accountants, past president of Minneapolis Kiwanis Club, founder and first president of the Kiwanis Foundation.

● **PHILIP ANDERSECK** of Brooklyn, New York (1925 member) died last October, the Institute has just learned. After engaging in independent public accounting practice, Mr. Anderseck became associated with Price, Waterhouse & Co. and was employed by that firm in Caracas, Venezuela, until April, 1949.

tinuing income from their former practice, or have accumulated enough capital to support themselves adequately, it is very questionable whether the same is true for the smaller practitioner. The cost of purchasing an annuity from an insurance company is considerably greater than the cost of Social Security coverage. It would, therefore, appear that it would be to the interest of the Institute to support the legislation as it now stands in order to give its members the protection of Social Security.

"The statement that classification of certified public accountants as professional men may be more important than the question of Social Security coverage or exemption appears to have little merit, beside being rather far-fetched in its application. It is true that certain professions have been exempted and, as to those which are ex-



Earl A. Waldo

● **SAMUEL A. LINSKY** of New York City (1941 member) died January 19 at the age of 56. A graduate of New York University Law School, Mr. Linsky was both a certified public accountant and an attorney. Formerly associated with the Internal Revenue Department in Washington, at the time of his death he was a partner in the public accounting firm of Linsky & Grossman. A veteran of World War I, Mr. Linsky was a past commander of Captain Jacob Joseph Post, Jewish War Veterans.

empted, many members of such professions—for example, attorneys—are rather disappointed at the exemption. Whether or not an occupational group is covered or not covered by Social Security by no means determines its classification as a professional group or otherwise. In fact, it appears that there is very little connection between the two."

G. H. Strachan  
San Francisco, California

The president of the Institute has filed a statement for inclusion in the record of hearings before the Senate Finance Committee, expressing the assumption that inclusion or exemption of any group has no bearing on the question of its recognition as a profession and asking the Committee to clarify this point in its report on the bill.

# THE CERTIFIED PUBLIC ACCOUNTANT

*A Bulletin of the American Institute of Accountants*

APRIL 1950

## THIRTY-TWO STATES PLAN REGIONAL CONFERENCES

CPA societies in 32 states, from the East to the West coast and the Canadian border to the Gulf, will sponsor five regional accounting conferences in June. These programs include:

Northwest Accounting Conference, Olympic Hotel, Seattle, June 1-3. Sponsors: Oregon and Washington. Chairman: Walter H. Crim, 465 Skinner Building, Seattle.

Southern States Accountants Conference, Edgewater Gulf Hotel, Edgewater Park, Mississippi, June 4-7. Sponsors: Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, Oklahoma, Tennessee, Texas. Chairman: Thomas R. Ward, Rosenbaum Building, Meridian, Mississippi.

Central States Accounting Conference, Hotel President, Kansas City, Missouri, June 7-8. Sponsors: Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota. Chairman: Paul J. Adam, 906 Grand Avenue, Kansas City 6, Missouri.

Mountain States Accounting Conference, Cosmopolitan Hotel, Denver, June 8-10. Sponsors: Arizona, Colorado, Idaho, Montana, New Mexico, Utah, Wyoming. Chairman: Charles A. Zarini, 631 National Bank Building, Denver 2.

Middle Atlantic States Accounting Conference, Hotel Du Pont, Wilmington, Delaware, June 18-21. Sponsors: Delaware, District of Columbia, Maryland, North Carolina, South Carolina, West Virginia. Chairman: Desmond A. Lyons, 831 Washington Street, Wilmington. [Continued on page 2]

## Monthly News Letter

- **TAX COMMITTEE SUBMITS PROPOSALS TO CONGRESS.** Twenty-eight recommendations to correct inequities in tax laws and provide better accounting for tax purposes were submitted to the House Ways and Means Committee, early this month, by the Institute committee on federal taxation. Noting that most of its recommendations would have little effect on revenue, the committee urged action on them at the present session of Congress. A 41-page booklet containing these recommendations and explanatory text has been distributed to all members of Congress. The recommendations will be published in *The Journal of Accountancy*.
- **INSTITUTE TO MAKE JUNIOR ACHIEVEMENT AWARD.** The executive committee of the American Institute has authorized a \$250 award to a young man or woman who wins recognition in the annual Junior Achievement competition among high-school students and expects to study accounting in college. Junior Achievement is a national organization sponsored by prominent business executives which encourages boys and girls to develop and operate miniature business enterprises, with the help of competent advisers, and shows them how useful services can produce profits under the free-enterprise system. Prizes are presented annually to the Junior Achievement company which submits the best report to its stockholders.
- **NEW CASE STUDIES IN INTERNAL CONTROL PUBLISHED.** The first two in a series of three case studies on internal control are about ready to be mailed to members as this bulletin goes to press. Each is based on an actual audit and illustrates how accountants evaluate internal control in specific situations. No. 1 is entitled *A Textile Company*; No. 2, *The Machine Manufacturing Company*. Additional copies may be purchased by members or others at a price of \$.50. These booklets are punched to fit ring binders previously offered with case studies in auditing procedure. Price of the binder is \$1.25.
- **STEMPF SPEECHES TO BE PUBLISHED.** Excerpts of enduring interest from the speeches and writings of the late Victor H. Stempf, president of the Institute in 1943-1944, will be published soon in a limited memorial edition. [Continued on page 2]

## THE CERTIFIED PUBLIC ACCOUNTANT

Monthly bulletin of the American Institute of Accountants, 270 Madison Avenue, New York 16, N. Y.

### OFFICERS

President . . . . . J. HAROLD STEWART  
Vice Presidents . . . MAURICE AUSTIN  
                                  GEORGE O. CARLSON  
                                  JAMES I. KELLER, JR.  
                                  MAURICE H. STANS  
Acting Treas. CHARLES H. TOWNS  
Executive Director . . JOHN L. CAREY

### Regional Conferences

[Continued from page 1]

Institute representatives who will speak at one or more of these conferences include President J. Harold Stewart; Vice Presidents Maurice Austin, James I. Keller, Jr., and Maurice H. Stans; Robert E. Witschey, chairman, advisory committee of individual practitioners; Thomas J. Green, chairman, subcommittee on tax administration; James L. Dohr, chairman, subcommittee on terminology; John L. Carey, executive director; Carman G. Blough, research director. All certified public accountants are invited. Arrangements for living accommodations should be made directly with headquarters hotels. For program information, write to the chairmen named above.

### TIPS ON CPA EXAMINATION

More than 1,800 prospective CPAs, guests of New York State Society and the state board of accountancy, jammed one of New York City's largest ballrooms on March 30 to learn about preparing for the CPA examination. Society President George Cochrane, who presided, reminded potential candidates that no certified public accountant can afford to stop studying after he passes the examination and recommended membership in state and national professional organizations as a good way to keep up with developments. George E. Bennett, state board chairman, listed principal reasons for failure in the examination. Robert L. Kane, Jr., educational director of the Institute, explained how the uniform examination is prepared.

### Monthly News Letter [Continued from page 1]

● **NY SOCIETY PAST PRESIDENTS URGE INSTITUTE MEMBERSHIP.** Six past presidents of New York State Society of Certified Public Accountants, constituting a subcommittee of the Institute committee on membership, recently sent a letter to all non-member CPAs in that state to remind them of the advantages of joining the Institute. A memorandum explaining admission requirements and an application card were enclosed. "The strength of a profession depends upon the combined strength of the national and state professional organizations," this letter points out. It bears the signatures of Robert H. Montgomery, Joseph J. Klein, Henry A. Horne, Saul Levy, Simon Loeb, and J. Arthur Marvin. Mr. Marvin, a member of the Institute committee on membership, is chairman of the subcommittee.

● **COUNCIL MEETS AT WHITE SULPHUR, APRIL 17-20.** As this bulletin is mailed, about 200 council members, committee chairmen, and presidents of state CPA societies are discussing Institute plans and policies at the annual spring council meeting at White Sulphur Springs, West Virginia. The agenda includes administration of the Institute, state society activities, relations with the bar, federal and state legislation, CPA examinations, admission requirements, services for smaller practitioners, technical and professional standards, and the educational program. Members will receive a first-hand summary of the proceedings in the next issue, followed by the customary booklet of committee reports.

● **INFORMATION SERVICE HELPS SMALL PRACTITIONERS.** Since the Institute's new technical information service was announced in the January issue of this bulletin, 64 members in 26 states have used it. The majority of questions were submitted by smaller practitioners. About half of them related to year-end audit situations. This service places at the disposal of members reference material in the Institute library, technical knowledge of the staff, and in many cases opinions of other practitioners. All kinds of accounting and auditing inquiries are invited, but present facilities do not permit answers to tax questions. The service is confidential—names are not disclosed.

● **ACCOUNTING CHECK-UP FOR WYOMING.** Accounting methods and procedures of Wyoming state agencies and political subdivisions will be surveyed by the Wyoming State Board of Accountancy at the request of an interim committee of the legislature. Kenneth Cox, president of the Wyoming Board, visited the offices of the American Institute of Accountants, March 22, to gather information on the subject matter of the survey. On the 23rd he conferred at Philadelphia with officials of the Pennsylvania Institute of Certified Public Accountants, which is completing a similar survey for its state, and on the 24th and 25th he consulted officials of the National Committee of Municipal Accounting and other experts in governmental accounting, at Chicago.

● **RESEARCH DIRECTOR IS AUTHOR.** Carman G. Blough, Institute Research Director, is the author of "Banks Can Help Clarify Auditors' Reports," published in the *Bulletin of the Robert Morris Associates* for February.

● **1950 ANNUAL MEETING PROGRAM DISCUSSED.** Detailed arrangements for the 63rd annual meeting were discussed by the committee on technical sessions at the Institute office, April 12. To make this year's meeting as beneficial as possible for everyone, the committee proposes a number of smaller groups at which current technical and professional problems will be considered. By scheduling some of these discussions simultaneously, a variety of topics can be presented in the limited time available. Speakers of national prominence, to address general sessions, will be announced soon. Make a note of the time and place: October 2 to 5, Hotel Statler, Boston. Due to a printer's error in failing to insert a hyphen between the numerals "2" and "5," in this bulletin last month, the date of the annual meeting was incorrectly reported as "October 25" instead of "October 2-5."

● **STATE BARS APPOINT COMMITTEES TO CONFER WITH CPAs.** The Texas State Bar has appointed a committee on cooperation with certified public accountants. One of its functions is to discuss questions of mutual interest with a committee on cooperation with lawyers, representing the Texas Society of Certified Public Accountants. Previously, the Bar assigned this responsibility to its committee on the unauthorized practice of the law. The president of the New Jersey State Bar Association has also appointed a special committee to confer with a committee from the New Jersey Society of CPAs.

● **BUSINESSMEN READ DEVALUATION STATEMENT.** *Forbes* magazine for March 15 carried a brief reference to the statement on *Accounting Problems Arising from Devaluation of Foreign Currencies*, prepared by the Institute research staff. Result: requests for approximately 100 copies.

● **FORMER VICE PRESIDENT NAMED LEADING AMERICAN.** T. Coleman Andrews of Richmond, Virginia, council member and former Institute vice president, has been named one of 15 living Americans making significant contributions to the survival of the competitive system by M. Stanley Rukeyser, International News Service commentator. His column in leading newspapers referred to Mr. Andrews' former services with the General Accounting Office.

● **GUIDEPOSTS TO AN ACCOUNTING CAREER.** Don't overlook your copy of the new Institute booklet, *A Career in Public Accounting*, mailed with this issue of the bulletin. It replaces an earlier pamphlet, now obsolete. Purpose is to encourage qualified young men and women to consider professional accounting as their life-work, and to supply a yardstick by which they can compare their own capacities and interests with demands and standards of the profession. Many state CPA societies and their chapters are expected to distribute these booklets to students. Extra copies can be purchased at 10 cents each, 7 cents in quantities of 100 or more.

● **TELLING PLUMBERS ABOUT CPAs.** Manuscripts for the first two in a series of three booklets for the National Association of Master Plumbers, prepared by the Institute public relations staff with the help of its public relations counsel, were recently approved by the plumbers' organization. The initial booklet describes professional services furnished by the certified public accountant, the second suggests how a client can obtain the maximum benefit from these services, and the third will discuss taxes.

## TEXAS A & M PLANS PROGRAM

Texas CPAs will meet top-notch leaders of the profession when Texas A & M College, assisted by the state CPA society and other organizations, stages its Third Annual Accounting Conference on April 27-28. Scheduled speakers include Ralph H. Galpin, New York, general partner in Arthur Young & Company; Edward H. Kracke, also of New York, partner in Haskins & Sells; George E. Frazer, partner in Frazer and Torbet, Chicago certified public accountants; J. F. Stuart Arthur, partner of Lybrand, Ross Bros. & Montgomery, Dallas office.

## NOBLE NAMED CONTROLLER OF ATOMIC ENERGY COMMISSION

Lindsley H. Noble of Upper Darby, Pennsylvania, has been appointed controller of the United States Atomic Energy Commission, succeeding Paul M. Green who recently resigned to become controller of the Economic Cooperation Administration. Mr. Noble, an American Institute member, was previously assistant controller and acting controller of the Commission.

### \$500 for Program Leading to Better Reports

An honorarium of \$500 is offered by the American Institute committee on education for the best program for "Training Professional Accounting Staffs in the Art of Business Writing." Papers must be submitted to Robert L. Kane, Jr., educational director, at the Institute office by September 30. Anyone except members of the Institute staff and the educational committee is eligible to compete. The committee will be the sole judge of manuscripts. All will become the property of the Institute.

Proposals should emphasize training in composition of accounting reports, letters to clients, internal memorandums, and technical articles for publication. They should avoid treatises on grammar, discussion of training in preparation of financial statements or working papers, appraisal of accounting and auditing philosophies, and comments on staff training for technical proficiency. Adaptability of the suggested program to public accounting offices of various size will be a major consideration in making the award.

## The Library of the Institute

by JOHN L. CAREY, *Executive Director*

ONE of the most useful but least publicized activities of the Institute is its library—believed to be the most complete and most widely used accounting library in the world.

There is nothing particularly dramatic about a collection of books, and libraries are too often taken for granted. A moment's reflection, however, will convince anyone that a professional organization, like a university, would be a poor thing without a central repository of the literature with which it is concerned, carefully indexed and made available to those who need it by a staff of trained librarians.

### What It Does

The Institute's library purchases all books, pamphlets, magazines, monographs, and other published material on accounting, auditing, taxation, and related subjects. The collection now includes 11,813 books and 28,270 pamphlets. A card catalog indexes all material under author, subject, and title according to standard library practice.

The collection includes 167 old or rare books, three standard federal tax services, and state, local, and inheritance tax services for all states. It also contains about 150 uniform systems of accounting issued by industrial organizations.

By reference to the index the librarians answer questions as to where information on a wide variety of subjects can be found. Questions come from members of the Institute, members of the headquarters staff, business organizations, government agencies, universities, financial institutions, and others. Since the war many questions have been received from foreign countries.

In the first six months of the current fiscal year the library has answered 5,852 questions of this nature.

Space is provided for visitors who wish to read or do research in the library itself (as only members of the Institute are permitted to withdraw books and other material). In the first

half of the current year the library has received 4,549 visitors.

### The Accountants' Index

The library staff accepts full responsibility for the publication of the *Accountants' Index*, a bound volume compiled from the library's card index which provides a key to all works on accounting published in the English language. The original volume of the *Index* included references to all material published up to the year 1920. Since then the library has produced a supplement every four years. These volumes are widely used by accounting firms, university libraries, and accounting departments of corporations.

### How Did It Start?

The building of the Institute's library was begun in 1916, soon after the reorganization of the Institute under its present name and in its present form. A campaign was undertaken to raise \$150,000 in the form of an endowment fund, the income from which was to be used for the support of the library. Among the men who took an active part in raising the money and in organizing the library were three of the great leaders of the accounting profession, George O. May, Robert H. Montgomery, and the late Elijah Watt Sells. They were also among the principal contributors. Contributions were made by individual accountants, accounting firms, and state societies of certified public accountants. The principal funds of which the income is now devoted to the support of the library, stand today at about \$300,000. Income from this fund, however, is no longer sufficient to cover all the expenses of the library which are about \$34,500 annually. This year the Institute will contribute from its general fund about \$18,500 to make up the library's deficit.

### Who Built It?

Librarians who have managed the library deserve the greatest credit for

its usefulness and its popularity. First was Louise S. Miltimore. She did the pioneering work including the publication of the first volume of the *Accountants' Index*. She died in 1927, after nine years of service with the Institute. The second librarian was Helen M. Johnstone, who carried on her work with the same fine spirit and under the same high standards as those of her predecessor. She retired in 1949 after 22 years of service with the Institute. The third and present librarian is Miriam Donnelly, who succeeded Miss Johnstone in 1949 after 22 years of service as assistant librarian. Miss Donnelly's management of the library has already evoked many compliments.

### What Is Its Value?

Members of the Institute have often said that the answer to one question that came from the library has been worth all the dues they have paid to the Institute.

The library's value to the profession, however, is not only in its service to members. The committee and staff activity of the Institute would be greatly handicapped if the library were not available. The technical information service, which undertakes to answer questions on accounting and auditing submitted by members, relies heavily on the library. The editorial staff of *The Journal of Accountancy*, the research department, the public relations department, and the education department all make continuous use of the library's facilities.

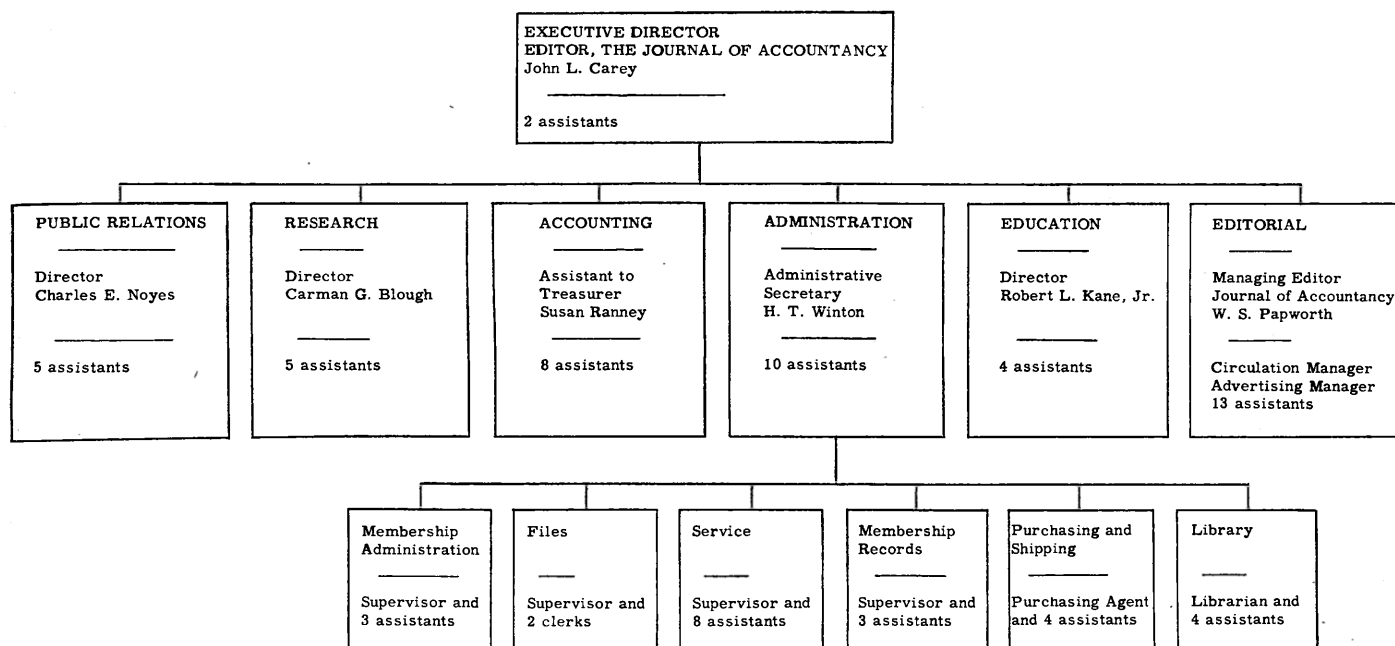
But, in addition to providing these practical values, the library adds greatly to the Institute's prestige. It is an important channel of communication with accounting societies all over the world, with educational institutions, with government, and a host of others whose interests in one way or another are related to accounting.

### INSTITUTE COMMITTEES MEET

The following committees of the American Institute of Accountants held meetings in the past month:

- Nominations, April 3.
- Selection of personnel, April 3.
- Education, April 10-11.
- Technical sessions, April 12.

# Staff Organization of the American Institute of Accountants



As the Institute membership grows and its services expand, the number of employees on the headquarters staff

also increases. There are now more than 80 of us. This chart shows the names of a few of the people who are working for

you, all trained and experienced in their own individual fields, and some of the activities they direct.

## NEW DEVELOPMENTS IN FEDERAL LEGISLATION

The Administrative Practitioners Bill, HR 4446, was brought to the floor of the House of Representatives by the Judiciary Committee on March 15, during the regular call of committees. Representative Walter, author of the bill, called attention to the fact that the American Institute had withdrawn its opposition to this bill as a result of amendments last summer which would protect the practice of certified public accountants and other qualified practitioners before federal agencies. However, several representatives strongly attacked the bill, partly on the grounds that it tended toward establishment of a monopoly for lawyers, and no attempt was made to bring the measure to a vote. Efforts are now being made to bring it up again if a special rule can be obtained from the Rules Committee.

On the same day, it was learned that the Judiciary Committee intended to bring up the Tax Court Bill, HR 3113.

The Institute has strongly opposed enactment of this bill unless alternative means are provided to permit settlement of tax controversies by CPAs at a high level. Representatives who support the Institute position were contacted by telephone and telegraph, and there is reason to believe that certainty of strong opposition influenced the committee's decision not to bring the bill to the floor. The Judiciary Committee will probably not be reached again in the regular call of committees until late in the present session.

A new proposal for tax settlement procedure is contained in a bill, HR 7738, recently introduced by Representative A. Sidney Camp of Georgia. This bill, which includes a long list of proposals for amending the Internal Revenue laws, would establish special examiners as a part of the Tax Court to settle cases involving less than \$1,500, on an informal basis. It has been referred to the Ways and Means Committee, but is not likely to be acted upon before Congress adjourns.

## INSTITUTE STUDIES NON-MEMBER CPAs

A questionnaire was mailed late in March to some 20,000 CPAs who are not members of the American Institute to obtain a more accurate picture of the accounting profession. In his letter to these CPAs, Executive Director John L. Carey said: "The Institute... has to speak and act on questions which also affect the 20,000 CPAs who are not members... It has to plan its various services and publications so they will best meet the real needs of the whole profession."

Questions were asked about the nature of practice or other occupation, age, number of years in the profession. A recent copy of THE CERTIFIED PUBLIC ACCOUNTANT was enclosed to indicate the kind of activity carried on by the Institute for the benefit of the profession as a whole. The questionnaire offered to qualified persons an Institute membership-application blank and a sample copy of *The Journal of Accountancy*.

**MEMBERS ELECTED MARCH 31, 1950**

**Alabama**  
H. F. Lancaster, Birmingham

**Arkansas**  
Warren Kelley Bass, Little Rock

**California**  
J. J. Allen, Redlands  
Herbert H. Bowman, Lodi  
Henry W. Feil, Los Angeles  
G. F. L. Gardner, Long Beach  
Maurice M. Green, Coalinga  
Austin J. Hanika, San Francisco  
Lawrence M. Horg, Fresno  
Russell J. Knapp, Santa Barbara  
C. C. Legerton, Los Angeles  
Paul R. Pressler, Los Angeles  
F. W. Sellman, San Francisco  
Donald St. John Shaw, Los Angeles  
Albert Talbot, San Francisco

**Colorado**  
Joe B. Cassel, Denver  
Irving S. Hook, Denver

**Connecticut**  
William R. Ford, New Haven  
Paul P. Pjura, Bridgeport

**District of Columbia**  
Arvid C. Anteroinen, Washington  
Herman Kozlow, Washington

**Florida**  
Wm. H. Stafford, Tampa

**Georgia**  
William Bernard Houston, Macon  
Elliott C. Serotta, Augusta  
John B. Thomas, Jr., Atlanta  
James K. West, Columbus

**Illinois**  
John Edw. F. Allen, Springfield  
Warren L. Alsberg, Chicago  
C. H. Baxter, Chicago  
Benjamin Q. Beckerman, Chicago  
Eugene Byrd, Chicago  
William A. Crews, Jr., Oak Park  
James P. Joice, Jr., Chicago  
Fredrick Ward Ponsor, Chicago  
Walter F. Reinhart, Peoria  
Jacob Rothbaum, Peoria  
Edward Wilson, Chicago

**Indiana**  
L. A. Easterday, Kokomo  
Donald J. Holmquist, Indianapolis  
James McGahey, Indianapolis

**Iowa**  
John W. Fleer, Council Bluffs

**Louisiana**  
Willard Robertson, New Orleans  
Robert J. Silva, Jr., New Orleans

**Maryland**  
Leroy L. Keys, Sparrows Point  
Stanley A. Racoosin, Baltimore  
Marvin S. Williams, Baltimore

**Massachusetts**  
Joseph F. Maggioni, Boston  
Irving H. Straw, Boston

**Michigan**  
Peter A. Duerksen, Detroit  
Chas. E. Grenier, Jr., Detroit

**Mississippi**  
Bernard Harford, Meridian  
Jimmie Marshall O'Neil, Laurel

**Missouri**  
David Hansford Cross, Kansas City  
George O. Owings, St. Louis  
Frank L. Pelot, Jr., Kansas City  
K. L. Weary, Jr., Kansas City

**Nebraska**  
Delmar A. Lienemann, Lincoln

**New Jersey**  
Gerald S. Krasner, Dover  
John J. Letzerich, Short Hills  
Michael A. Stavitsky, Newark

**New York**  
Earl A. Betz, New York  
Bernard Bolhower, New York  
George E. Buckbee, New York  
E. R. Burhenne, New York  
Robert L. Burton, New York  
Desmond, L. Crawford, New York  
Clemens Allen Erdahl, New York  
Sol Federgreen, New York  
Isidore Feldman, New York  
Louis Goldenberg, New York  
Vitaly M. Gottlieb, New York  
George G. Havasta, New York  
Stanley Levinson, New York  
Julius Nathan, New York  
John H. Regazzi, New York  
William C. Reynolds, New York  
Norman Samuel Siegel, New York  
Saul S. Silverman, New York  
Seymour Smallberg, New York  
Paul M. Trueger, New York

**North Carolina**  
Thomas E. Gatewood, Kinston

**North Dakota**  
Sidney E. Holaday, Jamestown

**Ohio**  
Stanley J. Berberich, Cincinnati  
Einar A. Erickson, Cleveland  
Donald Garrison, Middletown  
Edwin J. Hardy, Canton  
Fred G. Maurer, Cleveland  
Charles C. Muhlbach, Columbus  
W. Earl Phillips, Cincinnati  
Grant H. Rinehart, Fremont  
Sidney X. Sussman, Toledo  
Henry Wagner, Jr., Dayton  
Arthur L. Weinreich, Dayton

**Oklahoma**  
Theodore G. Coursault, Oklahoma City

**Oregon**  
Theodore W. Cauthorn, Portland  
John Spencer Crawford, Portland  
Roger A. Emrich, Portland  
Philip K. Hintz, Portland  
Harold V. Olson, Portland  
Glenn H. Payne, Bend  
A. Leighton Platt, Portland  
John L. Watson, Corvallis

**Pennsylvania**  
James E. Edwards, Philadelphia  
John J. Eisenberg, Philadelphia  
James R. Kane, Reading  
Louis R. Paltz, Philadelphia  
Milton J. Savar, Philadelphia  
Allen Speiser, Philadelphia  
Harmon M. Webb, Philadelphia

**Rhode Island**  
John E. Heald, Pawtucket

**Tennessee**  
Herman D. Bradley, Nashville  
Jack S. Draper, Memphis

**Texas**  
Harroll H. Adams, Waco  
Neil K. Alexander, Austin  
E. N. Cappleman, Galveston  
Chester R. Cloudt, Houston  
Arthur Greenspan, Beaumont  
Jack Hays, Amarillo  
James A. Krause, Houston  
Maurice C. Langford, Fort Worth  
J. A. Martin, Dallas  
Wesley Harvey Phillips, Kilgore  
Charles M. White, Jr., Houston

**Utah**  
Loren I. Burr, Salt Lake City

**Washington**  
William V. Groeger, Seattle  
James L. Hogan, Seattle  
Mason M. Jones, Seattle  
Laurence D. Morse, Spokane  
Elbert D. Peasley, Seattle

**West Virginia**  
Carl Dean Gramlich, Parkersburg

**Wisconsin**  
Olaf Knudsen, Milwaukee

Earl V. Reuschlein, Madison  
Eugene F. Small, Racine

**Hawaii**  
David O. Gillette, Honolulu  
Stanley L. Prescott, Honolulu  
John H. Rhys, Honolulu

**Italy**  
James Myers, Jr., Rome

**APPLICANTS RECOMMENDED FOR ADMISSION**

The committee on admissions has given consideration to applicants for membership in the American Institute of Accountants and recommends the admission of 33 applicants who have been accorded credit for having passed examinations acceptable to the committee on admissions and 128 applicants who have passed the uniform examination for the CPA certificate in participating states. One applicant sat for oral examination.

**Alabama**  
Wm. H. Borland, Jr., Birmingham  
Clayton C. Carlton, Birmingham  
Herschel Ewing Morrison, Mobile

**Arizona**  
Paul R. Bower, Phoenix

**Arkansas**  
Charles Herman Estes, Little Rock  
John Clayton Joyner, Little Rock

**California**  
Lloyd William Eager, San Francisco  
F. J. Giacalone, San Francisco  
John W. Jennison, Los Angeles  
Will Morrow Mitchell, Los Angeles  
Rob Roy Neilson, Eureka  
Howard R. Samuel, San Francisco  
George A. Sirus, Los Angeles  
John F. Stump, Los Angeles  
William Tamkin, Los Angeles  
James R. Wilkinson, Quincy

**Colorado**  
Philip L. Davis, Denver  
Robert W. Garris, Alamosa  
Charles S. Holtz, Denver  
Louis E. Nell, Denver  
Harry F. Vaupel, Jr., Denver

**Connecticut**  
Maurice Alexander, Waterbury  
Arthur C. Cordiner, New Haven  
Weldon J. Durkin, New Haven  
Henry M. Lapeza, Bridgeport  
Samuel Perta, New Haven  
Herman Robert Rosen, Hartford

**Delaware**  
Leon Glantzow, Wilmington

**District of Columbia**  
Leo Schimel, Washington  
Gerald E. Stanton, Washington

**Florida**  
W. F. Aberly, Jacksonville  
Morten F. Hartmann, Miami

**Georgia**  
Philip H. Dohn, Jr., Atlanta  
John Raymond Jones, Atlanta  
B. A. Lazard, Savannah  
John A. Milam, Atlanta

**Illinois**  
Thomas F. Clarke, Chicago  
Roy E. Duvall, Chicago  
David Frumkin, Chicago  
William D. Hawes, Chicago  
Ernest E. Komives, Chicago  
Richard Lewis, Chicago  
Rudolph F. Schaefer, Chicago  
Hyman Siegel, Chicago  
Webster R. Vause, Chicago  
Dick Yin Wong, Chicago

**Iowa**  
Rex M. Wilde, Spencer

**Kentucky**  
Theodore C. Conrad, Lexington  
C. Louis DeAngelis, Hopkinsville

**Louisiana**  
O. Patrick Avinger, Jr., Shreveport  
William Theron Roberts, Shreveport

**Maryland**  
Myer Louis Sigel, Baltimore

**Massachusetts**  
James R. Canavan, Boston  
Carroll A. Fossett, Boston  
Charles J. Jacobs, Boston  
Burt L. Johnson, Springfield

**Michigan**  
William Litt, Detroit  
Donald A. Milton, Detroit  
Martin Albert Renaas, Berkley  
Henry Reule, Dearborn  
Stanley A. Simon, Detroit

**Minnesota**  
Robert W. Fischer, Minneapolis  
R. V. Kerwin, Minneapolis

**Mississippi**  
Robert L. Garrett, Meridian  
William N. McKinney, Tupelo  
John Walton Morgan, Jackson

**Missouri**  
C. Milton Allen, Kansas City  
Joseph W. Boyle, St. Louis  
William J. Chronos, Kansas City  
Oscar Henry Doetsch, St. Louis  
Bennett D. Levy, Kansas City  
Donald Jesse Mattingly, St. Louis

**Montana**  
George D. Anderson, Helena

**Nevada**  
Norman Hayes Terrell, Reno

**New Jersey**  
Walter R. Brent, Passaic  
Gerald J. Cummings, Camden  
Irvin R. Goldstein, Camden  
Austin A. Kohl, Newark  
Charles J. Perna, Jr., Newark

**New Mexico**  
Shelby C. Hogan, Albuquerque

**New York**  
Charles J. Benjamin, Jr., New York  
Thomas J. Byrnes, Port Chester  
Robert M. Carr, New York  
Arthur Charles Evans, Jr., New York  
Stanley A. Harris, Jr., New York  
Walter A. Hartmeyer, New York  
Beatrice P. Isaac, Buffalo  
Philip R. Kornberg, New York  
Joseph Marinoff, New York  
Arthur Paturick, New York  
Morris W. Primoff, New York  
Louis Rosenbloom, Geneva  
Milton Simon, New York  
Albert V. Smyrk, New York  
Joel D. Sollender, New York  
Gerald D. Stone, New York  
Fred E. Weidl, New York

## OBITUARIES

● **GEORGE E. COMERY** of Providence (1936 member) died on February 23 at the age of 58. He was a past president of Rhode Island Society of CPAs, a former member of the state board of accountancy, founder and partner of the public accounting firm of Comery, Davison & Jacobson. Confined to his home for only three weeks, Mr. Comery transacted business by telephone with his office and with clients up to the day of his death. A native of Nutley, New Jersey, he had been a leading citizen of Providence for 26 years—trustee of Bryant College, director of two hospitals, member of Rhode Island Historical Society, Sons of the American Revolution, Masonic Lodge, and other civic and social organizations.

● **FREDERICK H. CHANT** (1938 member) died in St. Luke's Hospital, Pittsfield, Massachusetts on January 18 at the age of 65. A native of Clinton, Ontario, Mr. Chant had conducted a public accounting practice in Pittsfield for the past 37 years. A lieutenant in the United States Army in World War I he later became president of Massachusetts Reserve Officers Association. Mr. Chant had been Pittsfield City Auditor, secretary of the local Kiwanis Club for 20 years, president of the Berkshire Photographic Society, and a member of the Pittsfield Symphony Orchestra.

● **OGAREFF C. COUMONT** of Long Island City, New York (1948 member), died suddenly on February 14 in Bridgeport, Connecticut, where he had gone to teach a class at Bridgeport University. Mr. Coumont also taught at Bergen Junior College, Teaneck, New Jersey, and had recently conducted his own accounting practice in New York City. Born in Lewiston, Maine,

45 years ago, he attended Bates College, received the BS degree from Columbia University School of Business, and the degree of Master of Business Administration from New York University Graduate School of Business Administration where he majored in accounting. His business career included assignments with banks, public utilities, manufacturers, and several public accounting firms.

● **SAMUEL DEUTSCH** of New York City (1924 member) died February 17 in Winter Park, Florida, following a heart attack. He was a partner in Ludewig & Deutsch, certified public accountants. Born in New York City 50 years ago, Mr. Deutsch studied for four years at New York University and had practiced public accounting continuously since 1918.

● **WILLIAM W. FURNELL** of Detroit (1942 member), an independent practitioner, died January 19 at the age of 66. Born in Halls Mills, West Virginia, Mr. Furnell attended West Liberty State Normal School, Marshall College, and Bethany College, all in his native state. Following employment with several railroads, he became auditor of National Oil & Development Company of Bartlesville, Oklahoma, in 1918, and began to practice public accounting a year later. For several years he was an auditor for the United States Department of Agriculture in charge of large dairy assignments.

● **ALEXANDER B. NEILL** (1923 member), former senior partner in the public accounting firm of West, Flint & Co., New York City—now McLaren, Goode, West & Co.—died March 8 at his home in Upper Montclair, New Jersey, after a long illness. He was 73 years old. Born in Brooklyn, Mr. Neill lived there until he moved to Upper Montclair 27 years ago. Largely self-educated, he was auditor for Brooklyn

## FIRM ANNOUNCEMENTS

● **JOSEPH F. LEVIN** and **ULRICH KRAEMER** announce formation of the partnership of Levin and Kraemer for the practice of public accounting at 100 North La Salle Street, Chicago 2.

● **MAIN AND COMPANY**, Pittsburgh, announce that Oscar A. Bashor has been admitted to partnership.

● **LOUIS RUDOLPH** and **LOUIS R. PALITZ** announce the formation of the partnership of Rudolph, Palitz & Co., with offices at 703-5 Market Street National Bank Building, Juniper and Market Streets, Philadelphia 7.

● **LEON E. VANNAIS** announces establishment of his practice as consultant on mechanized accounting, specializing in group discussions on punched-card principles and procedures. Offices are situated at 20 Park Avenue, New York 16, New York.

● **WEBSTER, HORNE & ELDSON** of New York City announce that Peter F. Lynch has been admitted to partnership.

● **ARTHUR YOUNG & COMPANY** announce their merger with Wideman, Madden, Dolan & Company of Toledo, Detroit, and New York; and with Lunsford, Barnes & Company of Kansas City, Missouri, and Wichita, Kansas.

Edison Company before joining West, Flint & Co. He served as assistant superintendent of the church school at Lafayette Avenue Presbyterian Church, Brooklyn, for 25 years, and at the time of his death, was an elder of the Upper Montclair Presbyterian Church, and a Mason.

### North Carolina

J. H. Hanchrow, Wilson  
Delmer P. Hylton, Wake Forest  
Gip I. Kimball, Jr., Charlotte  
Lloyd W. McCoy, Laurinburg

### Ohio

Robert D. Austin, Cleveland  
John R. Kelsey, Toledo  
Paul A. Levers, Wooster  
Charles E. Lozier, Cincinnati  
George T. Pfifer, Cincinnati  
Dale Jr. Pugh, Cleveland  
Maurice W. Rutenschroer, Cincinnati  
H. E. Snyder, Columbus

### Oklahoma

John A. Green, Jr., Oklahoma City

### Oregon

M. D. Wells, Portland

### Pennsylvania

Max Brener, Philadelphia  
Harry D. Cohn, Philadelphia  
James F. Dulin, Philadelphia

Robert N. Eckersley, Scranton  
R. A. Hamilton, Philadelphia  
William C. Hortman, Philadelphia  
James E. Meredith, Jr., Philadelphia  
Walter F. Raab, Philadelphia  
Elliott Tanack, Pittsburgh  
Frances E. Tinsley, Philadelphia  
Robert W. Torrence, Pittsburgh  
Donald C. Waggoner, Harrisburg  
Robert E. Yost, Philadelphia

### South Carolina

Magnus A. Monsen, Charleston

### Tennessee

Clyde R. Watson, Nashville

### Texas

Valton O'Neal Blackstone, Corsicana  
Joseph C. Cobb, Jr., Houston  
Owen William Johnson, Dallas  
E. C. Johnston, Eastland  
I. D. Killingsworth, Houston  
Ernest F. Lee, Grand Prairie  
Donna Al Panknin McMillin, Waco  
L. Ward Mendenhall, Jr., Fort Worth

L. B. Nicholson, Garland  
George Willis Norsworthy, Houston  
William Clifton Penick, Houston  
Eugene P. Rister, El Paso  
Guy V. Rucker, Port Arthur  
Joe I. Staggs, Port Arthur  
Raymond Jefferson Welch, Weslaco  
Russell Eugene Withrow, Abilene

### Utah

Theron E. Moffett, Salt Lake City  
William L. Robison, Salt Lake City

### Virginia

Clair L. Dunn, Roanoke  
W. Webb Hamill, Roanoke

### Washington

Elmer R. Baumgartner, Seattle  
Clarence W. Bengston, Seattle  
Cyril M. Frol, Seattle  
Earl V. Peterson, Seattle  
R. B. Rankin, Seattle  
Ralph K. Scott, Walla Walla

### West Virginia

Frank Daniels, Jr., Huntington

H. Wayne Mason, Beckley

### Wisconsin

Robert W. Dernbach, Wisconsin Rapids  
George J. Kalcik, Green Bay  
T. L. Sorensen, Greendale

### Wyoming

M. C. Mundell, Laramie

### France

E. D. Curtis, Paris

### Hawaii

Frank H. Leman, Honolulu

### Puerto Rico

Jose M. Laracuente, Rio Piedras

These applicants do not become members until voted upon by council and declared elected by the president. If protest is to be made against any applicant on the list it should reach the office of the Institute on or before April 30, 1950.



## A PROFESSION GOES "ON THE AIR"

The accounting profession is making the most intensive effort in its history to acquaint the public, by television and radio, with the usefulness of services performed by the certified public accountant. This activity includes network telecasts and broadcasts, radio transcriptions prepared by the American Institute for presentation by state CPA societies and their chapters, broadcasts of addresses by President Stewart, and various local programs.

### *Tax Chairman on TV*

A large television audience in eight major cities watched Mark E. Richardson, chairman of the Institute committee on federal taxation, unravel some of the mysteries of a personal income-tax return for "Mr. and Mrs. Average Taxpayer," in a half-hour telecast on March 2. This program was presented as a public service by CBS-TV network stations in New York City, Philadelphia, Washington, Detroit, Chicago, New Haven, Syracuse, and Columbus.

Cast of characters, in addition to Mr. Richardson, included Robert A. Lincoln, public relations director of the New York State Society of CPAs, and Mrs. Lincoln, who personified the bewildered taxpayers; Paul Morgan of the staff of the Institute's public relations counsel, a neighbor and self-appointed tax expert; and James W. Johnson, collector for the Third New York District of the Department of Internal Revenue.

In the story, written by Mr. Morgan and Mr. Lincoln, Mr. and Mrs. Taxpayer accept off-the-cuff advice from their neighbor in making out their returns; are subsequently called to the collector's office for a check-up; before keeping this appointment, they consult with a certified public accountant—Mr. Richardson; and, finally, are interviewed by Collector Johnson who answers many questions which perplex taxpayers and emphasizes the importance of obtaining competent tax advice.

### *Tax Broadcasts in 33 States*

A final check shows that 186 sets of radio transcriptions recently recorded by the Institute were purchased by

state CPA societies, their chapters, and public accounting firms in 33 states and Hawaii. These two tax programs, it is estimated, were presented as a public service by more than 200 stations. Among them were WNBC-New York and WLW-Cincinnati.

## LEADING TAX AUTHORITIES TO SPEAK AT SYRACUSE

Syracuse Chapter of the Tax Executives Institute, Inc., and the College of Business Administration, Syracuse University, announce The 1950 Tax Conference on the University campus at Syracuse, New York, April 21. Eminent tax authorities representing industry, government, and the professions will address morning, afternoon, and luncheon sessions. This conference offers a rare opportunity for many tax practitioners and executives within easy traveling distance of Syracuse to become acquainted with current thinking of national leaders who influence tax policies and administration.

## INSTITUTE REPRESENTATIVES ADDRESS MANY GROUPS

### *J. Harold Stewart, president*

Illinois Society of CPAs, Chicago, March 20. Annual awards dinner.

Connecticut Society of CPAs, New Haven, March 28.

West Virginia Society of CPAs and University of West Virginia, Morgantown, April 14.

### *Maurice Austin, vice president*

College of the City of New York, Accounting Society, March 16.

Long Island University, Accounting Society, March 21.

New York State Society of CPAs, April 4. Technical tax meeting.

Trade & Industry Law Institute, New York City, April 11.

West Virginia Society of CPAs and West Virginia University, April 15.

### *James I. Keller, Jr., vice president*

Delray Beach (Florida) Rotary Club, March 14.

### *Maurice H. Stans, vice president*

Massachusetts Society of CPAs, Springfield, April 10.

## NATIONAL LEADERS BOOKED ON OHIO STATE PROGRAM

Presidents of five national accounting organizations are on the program of Ohio State University's Twelfth Annual Institute on Accounting, in Columbus, May 19-20. These speakers and their subjects follow:

Logan Monroe, National Association of Cost Accountants, Fundamental Responsibility of the Industrial Accountant.

William Herbert Carr, Controllers Institute, Function of Accounting in Modern Management.

Professor Perry Mason, American Accounting Association, Reconsideration of Criteria of Realization of Business Income.

J. B. Parker, Institute of Internal Auditors, Internal Auditor as an Aid to Management Problems.

J. Harold Stewart, president of the American Institute of Accountants, will preside at one of the sessions.

A feature of this year's program is inauguration of Ohio State's "Accounting Hall of Fame" honoring living North Americans for outstanding contributions to the profession. Election to the Hall of Fame will be based on the following criteria, among others: addresses and published articles, activities on behalf of professional organizations, awards previously received for service to the profession or the public.

### **Mr. and Mrs. Sterling Become CPAs**

Alexander Martin Sterling and Elizabeth Adams Sterling, of Atlanta, received their CPA certificates at a joint meeting of the Georgia Society of Certified Public Accountants and the Georgia State Board of Accountancy, in Columbus, March 25. Georgia Society's Columbus Chapter was host at this unique program which was broadcast by a local radio station, WDAK. Records of the profession indicate that Mr. and Mrs. Sterling are the first man and wife in the United States to receive their certificates simultaneously, and the second to pass the CPA examination at the same time. Henry W. Neill, president of the Georgia Society, and William F. Loflin, State Board chairman, welcomed the new CPAs.

# THE CERTIFIED PUBLIC ACCOUNTANT

*A Bulletin of the American Institute of Accountants*

MAY 1950

## STUDY PROGRAM IDEA GROWS

More state CPA societies and their chapters are cooperating with educational institutions in intensive two or three-day conferences on college campuses at which certified public accountants discuss technical developments and problems informally with leaders of the profession. Last year, "graduate study conferences" were held at Harvard, Louisiana Polytechnic Institute, University of Michigan, Rutgers, and Stanford. [Continued on page 2]

## ARIZONA SEEKS NEW INDUSTRIES



J. A. Smith of Phoenix, member of American Institute council and vice chairman of the Governor's Industrial Development Committee, watches Arizona's Governor Dan E. Garvey sign the third in a series of tax-reduction bills expected to attract manufacturers.

## Monthly News Letter

● **INSTITUTE ADMITS 15,000th MEMBER.** Membership of the American Institute passed the 15,000 mark last month, totaling 15,149. In April, alone, more than 300 applications were received—an all-time high. A questionnaire sent to all non-member CPAs, late in March, produced requests for 1,200 membership applications. A letter to non-member CPAs in New York State, signed by five past presidents of the State Society, resulted in calls for 170 more.

● **NEW PATTERN SPEECH READY.** "Business and Public Opinion" is the title of a pattern speech just prepared by the Institute public relations staff to assist members invited to address civic, business, or professional organizations.

● **STATE LEGISLATIVE DEVELOPMENTS.** As this bulletin goes to press, legislatures have adjourned, sine die, in California, Georgia, Kentucky, Maryland, Mississippi, New York, Rhode Island, and Virginia. They remained in session in Massachusetts, New Jersey, and North Carolina. In New Jersey, however, the deadline for introducing new business had passed. Louisiana legislature was scheduled to convene on May 8. The Institute committee on state legislation, in its midyear report to Council, summarized important developments. No harmful accounting legislation has been passed so far.

● **OUTSTANDING SPEAKER TO OPEN ANNUAL MEETING.** One of the high spots of the 1950 Institute annual meeting program will be a luncheon address by a speaker of national prominence on the opening day. President James Bryant Conant of Harvard University has tentatively accepted this assignment. The committee on technical sessions is planning a four-day program diversified enough to meet individual needs and interests of every Institute member. Discussions of specialized topics will be scheduled simultaneously to permit coverage of a greater variety of subjects. A complete program of sports, sightseeing, and social events is promised for members and their guests. Attendance is expected to break all records. Note the time and place—October 2 to 5, Hotel Statler, Boston—and watch this bulletin for further announcements. [Continued on page 2]

**THE CERTIFIED  
PUBLIC ACCOUNTANT**

Monthly bulletin of the American Institute of Accountants, 270 Madison Avenue, New York 16, N. Y.

**OFFICERS**

*President* . . . . . J. HAROLD STEWART  
*Vice Presidents* . . . . MAURICE AUSTIN  
                                  GEORGE O. CARLSON  
                                  JAMES I. KELLER, JR.  
                                  MAURICE H. STANS  
*Treasurer* . . . . . CHARLES H. TOWNS  
*Executive Director* . . JOHN L. CAREY

**Study Program Idea Grows**

[Continued from page 1]

The following group-study symposiums are scheduled:

University of Michigan, Ann Arbor, June 21-23. Speakers to include Alvin R. Jennings, chairman, American Institute committee on auditing procedure; Frederick B. Andrews and Professor William A. Paton, members of the Institute committee on accounting procedure; Leslie Mills, member, Institute committee on federal taxation; E. C. Suor, chairman, Michigan CPA Association education committee. For more information write to Hiram P. Todd, Jr., executive secretary, Michigan Association of CPAs, 2812-13 Book Building, Detroit.

University of Maryland, College Park, June 26-28. Speakers: Maurice H. Stans, vice president, American Institute; Ralph L. Stauffer, former chairman, Institute committee on cooperation with bankers. Write to Professor S. M. Wedeberg, College of Business and Public Administration, University of Maryland.

Claremont Men's College, Claremont, California, July 12-14. Speakers: Chairman Jennings of American Institute's auditing procedure committee; Professor Thomas H. Sanders, Harvard Graduate School of Business Administration, former research director of the Institute. Write to Arthur M. Sargent, secretary, California Society of CPAs, 681 Market Street, San Francisco 5.

University of Wisconsin plans a similar conference, at Madison, in August; Louisiana Polytechnic Institute, at Ruston, this fall.

**Monthly News Letter** [Continued from page 1]

● **INSTITUTE GREETES ENGLISH VISITORS.** A thirteen-member English team on management accounting, visiting the United States under the auspices of the Economic Cooperation Administration to study American methods, was recently welcomed by President J. Harold Stewart and H. T. Winton, administrative secretary. This delegation visited the Institute offices on April 28.

● **WHAT IS AN AUDIT BY A CPA?** To answer this question the Institute is publishing a booklet entitled *Audits by Certified Public Accountants—Their Nature and Significance* which will be distributed to some 15,000 bankers throughout the United States, American Institute members, and other interested groups. It describes procedures adopted by accountants in making audits, discusses characteristics of financial statements and the CPA's responsibility in reporting on them. Audits of smaller enterprises receive special attention. Although addressed primarily to bankers and other credit grantors, this study should also be of interest to accounting practitioners because it summarizes generally accepted auditing standards and procedures. It is regarded as a substitute for *Examination of Financial Statements by Independent Public Accountants*, published in 1936 and now out of print.

● **RESEARCH DIRECTOR ADDRESSES PR GROUP.** Carman G. Blough, research director of the Institute, addressed a workshop meeting under the auspices of the committee on annual reports of the New York Chapter, Public Relations Society of America, in the Institute library on April 26.

● **NEW YORK UNIVERSITY HONORS ACCOUNTING LEADERS.** Percival F. Brundage, immediate past president of the American Institute, and Ferdinand W. Lafrentz, member of its first council, were among 50 industrial, business, and financial leaders receiving the honorary degree of Doctor of Commercial Science from New York University at the fiftieth anniversary ceremonial dinner of the School of Commerce, Accounts, and Finance on April 11. Mr. Lafrentz was one of the founders of the school.

● **MICHIGAN CPAs SPONSOR COMMUNICATIONS CONFERENCE.** Fourteen trade and professional organizations, including Michigan Association of Certified Public Accountants, conducted an intensive one-day Business Communications Conference at Wayne University, in Detroit, April 13. National authorities explained how to increase the effectiveness of written and oral communications including letters, reports, conferences, sales presentations, advertising, publicity. One of the 16 special-interest sessions was devoted to accountants' reports.

● **CONNECTICUT CPAs PROTEST PROPOSED LEGISLATION.** A hundred members of Connecticut Society of Certified Public Accountants registered opposition to legislation which would transfer functions of the State Board of Accountancy to the Finance Department, at legislative hearings last month. Four representatives of the state society and the state board testified against this proposal which received no strong support from any source.

## VETERAN STAFF MEMBER ENDS 29 YEARS' SERVICE

James Wood, a member of the Institute staff for more than 29 years, retired May 1. Known to everyone in the office as "James," he was employed in May, 1920, and became superintendent of the building owned and occupied by the Institute. There were then seven full-time employees, compared with about 85 today. Since the Institute board of examiners prepared the first uniform CPA examination in 1920, James has assembled and mailed examination papers and supplies twice a year to state boards. From 1920 to 1946, he stamped the Institute seal on every membership certificate issued. In recent years he has worked on membership files and addressing equipment. A native of South Africa, James came to the United States after eight years in England.

### Don't Miss Your Regional Conference

Regional conferences sponsored by state CPA societies, with the help of the American Institute, provide one of the best opportunities to meet fellow practitioners from your own and neighboring states. Five of them will be held next month, with 32 states participating. Here is a list, with names of headquarters hotels so you can make reservations now. For more information see the April issue of this bulletin, or write to one of the chairmen named below.

Northwest Accounting Conference, Olympic Hotel, Seattle, June 1-3. Walter H. Crim, 465 Skinner Building, Seattle.

Southern States Accountants Conference, Edgewater Gulf Hotel, Edgewater Park, Mississippi, June 4-7. Thomas R. Ward, Rosenbaum Building, Meridian, Mississippi.

Central States Accounting Conference, Hotel President, Kansas City, Missouri, June 7-8. Paul J. Adam, 906 Grand Avenue, Kansas City 6, Missouri.

Mountain States Accounting Conference, Cosmopolitan Hotel, Denver, June 8-10. Charles A. Zarini, 631 National Bank Building, Denver 2.

Middle Atlantic States Accounting Conference, Hotel Du Pont, Wilmington, Delaware, June 18-21. Desmond A. Lyons, 831 Washington Street, Wilmington.

## STATE SOCIETY NEWS

Alabama Society's Auxiliary, organized late in March, has an enrollment of about 200 including staff members of firms whose partners are members of the Society, college instructors, and senior students majoring in accounting. Its purpose is to promote better relationship between the accounting profession and the general public, and to encourage education for accountancy. Dr. A. J. Penz, of the University of Alabama faculty, is the Auxiliary's first president.

Iowa Society's Des Moines Chapter, completing its fourth year, has 60 members but no officers. Its activities are governed by a six-member committee of which at least two members must be principals, and at least two staff members, of Des Moines public accounting firms. No firm may have more than one representative on the committee.

New Jersey Society recently amended its by-laws to levy an assessment of \$5-\$10 on various classes of members to finance an expanded public relations program.

Ohio Society's Dayton Chapter, through a 20-member committee, will establish an auditing system, supply personnel, and conduct periodic audits of contributions to a \$2,275,000 building-fund campaign for Miami Valley Hospital.

Virginia Society and the Virginia Bar Association announce their second annual Conference on Federal Taxation at the University of Virginia, Charlottesville, June 14-16.

Washington Society's Board of directors recently approved an appropriation to establish a basic accounting and tax library, expected to contain about a hundred accounting texts, American Institute publications, and federal tax services.

## VISITOR FROM MICHIGAN

Hiram P. Todd, Jr., recently appointed executive secretary of Michigan Association of CPAs, made a get-acquainted visit at the Institute office early this month.

## SECOND HUSBAND-WIFE TEAM HOLD CPA CERTIFICATES

Letter from SIDNEY B. GOLDSTEIN, Philadelphia, Pennsylvania

In reference to the blocked item on the last page of THE CERTIFIED PUBLIC ACCOUNTANT for April ("Mr. and Mrs. Sterling Become CPAs"), I would like to inform you that a husband-and-wife team became CPAs simultaneously three years ago.

Sidney B. Goldstein and Miriam Gerber Goldstein received certificates Nos. 1956 and 1954, respectively, from the Commonwealth of Pennsylvania on April 21, 1947.

This fact was noted in the April or May, 1949, issue of *The Spokesman* (Pennsylvania Institute).

We are both members of the Pennsylvania Institute and the American Institute.

## Lawyers and CPAs Propose Statement on Tax Practice

A statement of principles relating to practice in the field of federal income taxation was approved by the National Conference of Lawyers and Certified Public Accountants at the end of a two-day discussion in Washington, April 12-13. It was agreed that this statement, which is to be regarded as tentative and subject to revision and amplification in the light of experience, will not be published until it is approved by the House of Delegates of the American Bar Association and the Council of the American Institute of Accountants.

The Institute Council, after extensive discussion and debate, approved the statement at its meeting at White Sulphur Springs, West Virginia, on April 18. The House of Delegates of the American Bar Association will not meet until next fall. It is understood that some opposition to certain provisions of the statement is expected from members of unauthorized practice committees of bar associations.

The statement deals with relations of lawyers and certified public accountants in the following fields of service: preparation of federal income-tax returns, tax advice, representation of taxpayers before the Treasury Department, presentation of cases before the Tax Court, preparation of claims for refund.

## Plans and Policies For a Million Dollar Organization

**F**OR the first time in its history, the American Institute will be operating on a million-dollar budget during 1950-51. . . .

Because of a substantial increase in membership and because of greater publication sales, the 1950-51 pledges of financial support for the Institute's expanded program may be waived if toward the end of the fiscal year it appears that they will not be needed. . . .

These evidences of the organization's continuing growth were revealed at the spring meeting of the Council (April 17-20) in The Greenbrier at White Sulphur Springs, West Virginia.

They prompted the executive director at the opening session, after a backward glance over the last hectic 20 years, to declare: "The Institute is now better prepared than ever to face whatever the future holds in store. It is better organized, better staffed, better financed. It has more good will, more respect, more influence. It cannot afford, of course, to relax. It has many fights ahead and many problems to solve. But at the moment there is no fundamental cause for worry—as long as it can avoid the diseases of success: self-satisfaction, smugness, laziness. . . ."

No one could have detected any such symptoms in the earnest discussions at the four-day meeting.

### Relations with Lawyers

There was full consideration of the statement of principles adopted by the National Conference of Lawyers and Certified Public Accountants at a meeting in Washington on April 12-13. (This development is covered in a separate story in another column.)

### State Legislation

The subject of state CPA legislation was introduced by a motion to adopt the policy statement submitted to the Council at Los Angeles last fall by a majority of the committee on state legislation. It excited considerable debate. Advocates of the statement insisted that it would provide the Insti-

tute with a clear-cut policy without committing the organization to either regulatory or permissive legislation. Its opponents maintained that it implied an endorsement of regulatory bills and would impair the relations of certain state societies with their legislators. After further discussion, President J. Harold Stewart appointed a committee representing both views with instructions to strive for a mutually acceptable statement. The committee will submit a report to Council before the annual meeting in October.

### Institute and State Societies

At a special night meeting, the Council turned to one of the problems of growth: the relationship of the Institute to the state societies.

This problem had been highlighted by the public relations committee, which noted that only 33 of the 48 states and Hawaii had used the radio tax transcriptions prepared by the public relations department. "This means," said the committee, "that in 15 states members of the Institute obtained no benefit from this expenditure and effort, yet more state societies participated in this part of the public relations program than any other."

Various phases of this problem were covered in reports submitted at the special session by three committees: the advisory committee of individual practitioners, a special subcommittee of the executive committee, and the committee on coordination of activities of state and national organizations. It was generally agreed, as the latter group said, that successful coordination depended upon "mutual understanding" rather than upon "any theory of organization or the development of an ideal program." However, three proposals emerged out of the discussions: (1) That all full-time state society secretaries should be brought into New York for a meeting at Institute headquarters to consider common problems; (2) That Institute representatives to serve as channels-of-communication should be appointed in

towns throughout the country, with the approval and advice of the state societies concerned; and (3) That staff executives of the Institute should undertake a series of informal tours to promote closer relations between the Institute and its members.

### Small Practitioners

The meeting also discussed a proposal to issue a practical manual for small practitioners which would summarize generally accepted accounting and auditing procedures and include sections on all aspects of conducting a public accounting practice. This project is under study by a committee.

### Council Enlargement

In further recognition of the growth of the Institute, the Council considered a proposal to increase the number of its elected members from the present 48 to 72—in addition to state society presidents, past presidents, and nine council members elected at large. The nominating committee would be instructed to allocate the available places on Council as follows: (1) Every state with 50 members or more should have at least one elected member (in addition to the ex-officio membership of the state society president) at all times; and (2) after each state with 50 or more members has been allocated one council member, the remaining places to be allocated generally in accordance with the ratio of members in each state to the total membership of the Institute—though when such ratios do not permit precise allocation, consideration should be given to the allocation of available council memberships to states with less than 50 members. The present by-law limitation that no more than 6 members of Council be elected from one state would also be deleted. This proposal will be submitted to the annual meeting and, if approved, to the full membership by mail ballot.

### Other Decisions

The Council also:

- Received from the nominating committee a list of nominees for Institute offices for the 1950-51 fiscal year. (See separate story on Page 6.)

- Elected the following members of the Trial Board for a three-year term: William M. Black and Percival F. Brundage of New York; Clem W. Collins, Colorado; Marquis G. Eaton, Texas; James W. Hickey, Connecticut; Edward J. McDevitt, Massachusetts; and Edward B. Wilcox, Illinois. For one year: Samuel W. Eskew, Kentucky.

- Selected Houston, Texas, for the 1952 annual meeting. (Boston, 1950; Washington, D. C., 1951.)

- Adopted a resolution, offered by the committee on federal taxation, requesting that immediate attention be given to the 28 tax recommendations recently submitted to the House Ways and Means Committee.

- Instructed the Institute's research department to prepare a study on the present financing of the Federal Old Age and Survivors Insurance program.

In addition to these actions, the Council heard reports from more than 30 committees covering such subjects as accounting and auditing procedure, relations with bankers, wages and

**FIRM ANNOUNCEMENTS**

- COMERY, DAVISON & JACOBSON, 49 Westminster Street, Providence, Rhode Island, announce that Richard T. Comery has become a member of the firm.

- EUGENE GADNEY and DALE R. EBERLY have opened an office under the name of Gadney and Eberly at 51½ South Plum Street, Troy, Ohio.

- JOE E. HENRY has opened an office in Sunset Road, Knoxville, Tennessee. Post office address: Box 6,025, Knoxville.

- ERNEST G. MAIHACK announces continuation of his public accounting practice, under the firm name of Kohl, Maihack and Company, at 744 Broad Street, Newark 2, New Jersey.

- EDMUND L. O'BRIEN and ANDREW J. McMAHON have formed a partnership under the name of E. L. O'Brien and Company, 2504 Industrial Trust Building, Providence, Rhode Island.

- JOSEPH J. PACHOT has opened an office at 307 Security Building, Olympia, Washington.

- SCOVELL, WELLINGTON & COMPANY announce merger of the practice of Mack & Company, with offices in Philadelphia, Pennsylvania, and in Wilmington and Dover, Delaware, with their firm.

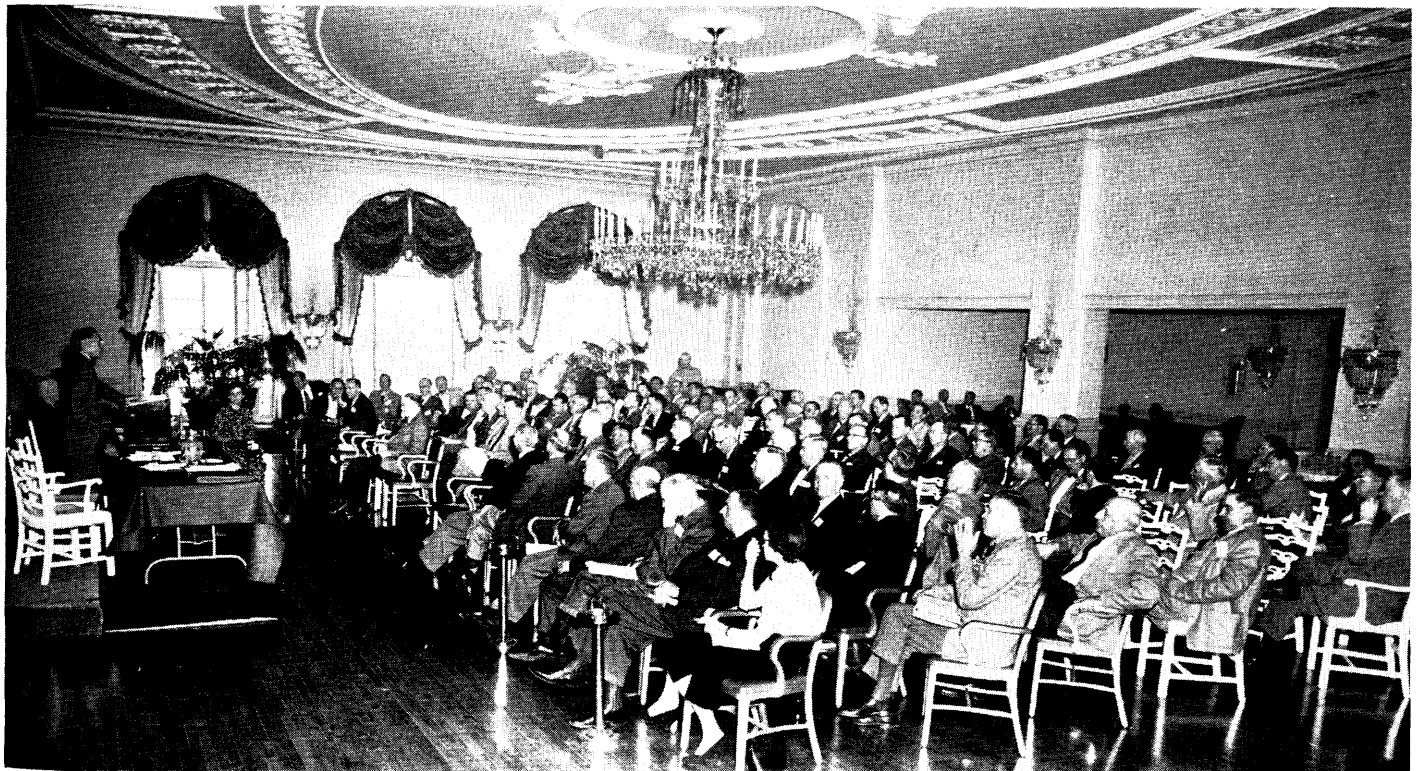
- NEIL SEXTON and E. F. CHABOT have dissolved the accounting firm of Sexton, Chabot & Molitor and will continue their association as partners under the firm name of Sexton & Chabot, 1411 Fourth Avenue Building, Seattle 1, Washington.

hours, personnel reference, education, ethics, insurance, annual meeting plans, systems and internal accounting. (The text of all these reports will be found in a booklet accompanying this bulletin, punched to insert in the post binders previously furnished to all members.)

At the conclusion of the four-day meeting, T. Coleman Andrews said: "This has been the best Council meeting I have ever attended."

There had been vigorous disagreement on many points during the sessions; but that was one statement which received unanimous approval.

**"GENTLEMEN... WE PROPOSE"**



In a serious moment at The Greenbrier, in White Sulphur Springs, Institute leaders

review plans and policies. Council members listen intently as Percival F. Brundage,

chairman of the committee on relations with the Bar, presents his report.

## Andrews of Virginia Heads Slate for Institute Offices

**T**HE committee on nominations announced, at the April meeting of Council, nomination of the following members for election to Institute offices for the fiscal year 1950-51.

*President:* T. Coleman Andrews, Virginia

*Vice presidents:* Gordon S. Battelle, Ohio; Richard C. Mounsey, Washington; Frank L. Wilcox, Texas; John H. Zebley, Jr., Pennsylvania

*Treasurer:* Harold R. Caffyn, New York

*Council Members at Large*—three-year term: Clinton W. Bennett, Massachusetts; William M. Black, New York; Maurice H. Stans, Illinois. Two-year term: Ralph D. Mayo, Colorado. One-year term: Thornton G. Douglas, California

The following states were selected from which Council members are to be elected for three-year terms beginning with the 1950-51 fiscal year: Alabama, District of Columbia, California, Florida, Illinois (2), Louisiana, Missouri, New Jersey, Ohio, Oklahoma, Oregon, Pennsylvania (2), Virginia, Wisconsin.

Brief biographies of nominees for Institute offices follow.

### *For President—Andrews*

T. Coleman Andrews of Richmond, Virginia, senior partner in the firm of T. Coleman Andrews & Co., certified public accountants, is a member of the American Institute Council, executive committee, and chairman of the committee on federal government accounting. An Institute member since 1923, he has been a vice president and a member of many committees including those on cooperation with the bar, budget and finance, cooperation with the SEC, and national defense. Mr. Andrews has been Comptroller and Director of Finance of the City of Richmond, and Virginia State Auditor of Public Accounts. During the Second World War he served with the Fiscal Director in the office of the

Under Secretary of War, in the Navy's Contract Renegotiation Division, as chief accountant and transportation director of the North African Economic Board; and as an officer on the general staff of the Fourth Marine Aircraft Wing in the Pacific theatre, before being recalled to Washington to organize and head the Corporation Audits Division of the General Accounting Office.

### *For Vice President—Battelle*

Gordon S. Battelle of Dayton, Ohio, is a partner in Battelle & Battelle, certified public accountants. A member of the Institute since 1921, he has been a member of its Council, is now chairman of the committee on arbitration, and has served on membership and building-and-loan committees. He is a former director of Ohio Society of CPAs, and a director of Miami Valley Hospital in Dayton.

### *For Vice President—Mounsey*

Richard C. Mounsey of Seattle, Washington, is a partner of R. C. Mounsey & Co., certified public accountants, which he established in 1920. Joining the American Institute in the same year, he has been a member of its Council and committees on membership, cooperation with credit men, and cooperatives. He is a past president of Washington Society.

### *For Vice President—Wilcox*

Frank L. Wilcox of Waco, Texas, is a principal in the certified public accounting firm bearing his name. A member of the American Institute since 1930, he has been a member of its executive committee and committees on by-laws, meetings, and membership. He is president of Texas Society of CPAs and has been chairman of its Waco Chapter. Mr. Wilcox is a member of the Texas Economy Commission and a former mayor of Waco.

### *For Vice President—Zebley*

John H. Zebley, Jr., of Philadelphia is a partner of Turner, Crook and Zeb-

ley, certified public accountants. A member of the Institute since 1930, he has been a member-at-large of Council, chairman of the committees on professional ethics, state legislation, independence of accountants, cooperation with SEC, and chairman of the Institute board of examiners. Mr. Zebley is a past president of the Pennsylvania Institute of CPAs and a former vice president of the American Accounting Association.

### *For Treasurer—Caffyn*

Harold R. Caffyn of New York City, a partner in Hurdman and Cranstoun, certified public accountants, is chairman of the Institute committee on selection of personnel and a member of its committee on personnel selection. He has been a member of several other committees including those on cooperation with bankers, budget and finance, by-laws, and students' activities, and a member of the Institute board of examiners. A native of London, England, Mr. Caffyn came to the United States in 1925 and joined the Institute a year later. He is a director of New York State Society of CPAs and a fellow of the Institute of Chartered Accountants in England and Wales.

## **RAYMOND W. DUNING**

Raymond W. Duning of Philadelphia, executive manager and secretary-treasurer of Robert Morris Associates, national organization of bank credit men, died April 24, at the age of 52. Known to Institute members throughout the country for his continuing effort to promote mutual understanding between bankers and accountants, he frequently discussed this topic with members of the Institute staff and committees.

Mr. Duning, a native of Covington, Kentucky, was graduated from Wharton School of Finance and Commerce.

At one time, Mr. Duning was employed by the Philadelphia office of Lybrand, Ross Bros. & Montgomery.

Ralph L. Stauffer, former chairman of the Institute committee on cooperation with bankers; John H. Zebley, Jr., member of Council; and John L. Carey attended funeral services.

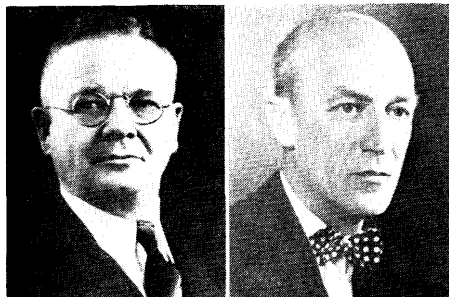
**INSTITUTE PRESIDENT GREETS NOMINEES**



Institute president J. Harold Stewart congratulates nominees for president and vice presidents for the fiscal year 1950-51. Left to right: Gordon S. Battelle, Frank L. Wilcox, Mr. Stewart, T. Coleman Andrews (presidential nominee), John H. Zebley, Jr. This picture was taken at the spring council meeting. Below: Richard C. Mounsey, nominee for vice president (left), and Harold R. Caffyn, for treasurer.

**NEW CPAs HONORED BY MASSACHUSETTS SOCIETY**

Massachusetts Society presented gold and silver medals to highest-ranking candidates in the November, 1949, examination at the annual educational meeting, April 24. Principal speaker was American Institute president, J. Harold Stewart. Executive director John L. Carey spoke briefly.



**MEMBERS ELECTED APRIL 30, 1950**

**Alabama**

Wm. H. Borland, Jr., Birmingham  
Clayton C. Carlton, Birmingham  
Herschel Ewing Morrison, Mobile

**Arizona**

Paul R. Bower, Phoenix

**Arkansas**

Charles Herman Estes, Little Rock  
John Clayton Joyner, Little Rock

**California**

Lloyd William Eager, San Francisco  
F. J. Giacalone, San Francisco  
John W. Jennison, Los Angeles  
Will Morrow Mitchell, Los Angeles  
Rob Roy Neilson, Eureka  
Howard R. Samuel, San Francisco  
George A. Sirus, Los Angeles  
John F. Stump, Los Angeles  
William Tamkin, Los Angeles  
James R. Wilkinson, Quincy

**Colorado**

Philip L. Davis, Denver

Robert W. Garris, Alamosa  
Charles S. Holtz, Denver  
Louis E. Nell, Denver  
Harry F. Vaupel, Jr., Denver

**Connecticut**

Maurice Alexander, Waterbury  
Arthur C. Cordiner, New Haven  
Weldon J. Durkin, New Haven  
Henry M. Lapeza, Bridgeport  
Samuel Perta, New Haven  
Herman Robert Rosen, Hartford

**District of Columbia**

Leo Schimel, Washington  
Gerald E. Stanton, Washington

**Florida**

W. F. Aberly, Jacksonville  
Morten F. Hartmann, Miami

**Georgia**

Philip H. Dohn, Jr., Atlanta  
John Raymond Jones, Atlanta  
B. A. Lazard, Savannah  
John A. Milam, Atlanta

**Illinois**

Thomas F. Clarke, Chicago  
Roy E. Duvall, Chicago  
David Frumkin, Chicago  
William D. Hawes, Chicago  
Ernest E. Komives, Chicago  
Richard Lewis, Chicago  
Rudolph F. Schaefer, Chicago  
Hyman Siegel, Chicago  
Webster R. Vause, Chicago  
Dick Yin Wong, Chicago

**Iowa**

Rex M. Wilde, Spencer

**Kentucky**

Theodore C. Conrad, Lexington  
C. Louis DeAngelis, Hopkinsville

**Louisiana**

O. Patrick Avinger, Jr., Shreveport  
William Theron Roberts, Shreveport

**Maryland**

Myer Louis Sigel, Baltimore

**Massachusetts**

James R. Canavan, Boston  
Carroll A. Fossett, Boston  
Charles J. Jacobs, Boston  
Burt L. Johnson, Springfield

**Michigan**

William Litt, Detroit  
Donald A. Milton, Detroit  
Martin Albert Renaas, Berkley  
Henry Reule, Dearborn  
Stanley A. Simon, Detroit

**Minnesota**

Robert W. Fischer, Minneapolis  
R. V. Kerwin, Minneapolis

**Mississippi**

Robert L. Garrett, Meridian  
William N. McKinney, Tupelo  
John Walton Morgan, Jackson

**Missouri**

C. Milton Allen, Kansas City  
Joseph W. Boyle, St. Louis  
William J. Chronos, Kansas City  
Oscar Henry Doetsch, St. Louis  
Bennett D. Levy, Kansas City  
Donald Jesse Mattingly, St. Louis

**Montana**

George D. Anderson, Helena

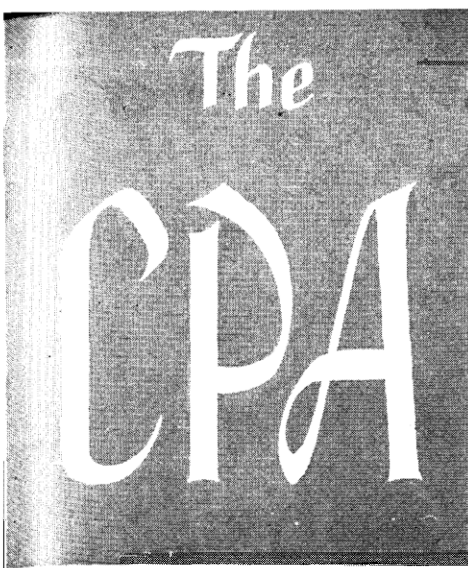
**Nevada**

Norman Hayes Terrell, Reno

[Continued on page 8]







## Staff Members Visit Nineteen Cities

How many members of the Institute staff have you met? One problem of a large and growing organization like ours is maintaining contact between individual members throughout the country and people at the headquarters office who represent their interests and work in their behalf. Recognizing this difficulty, a subcommittee of the executive committee proposed at the April council meeting that several key staff members make experimental field trips, especially to small and medium-sized cities.

Six weeks after the meeting, four department heads had visited 19 communities and talked with more than 250 members about Institute activities and plans, relations between state and national CPA societies, and additional services desired. Most of these cities have been visited infrequently by officers and staff members. Conversations

took place at informal luncheons or dinners and across office desks. In some cities, staff members gave brief talks before small groups; elsewhere they participated in lively give-and-take discussion. The meetings were intentionally kept small, so everyone would have a chance to express his views.

Among the conclusions reached by the visiting staff members are these: Institute members generally approve present activities. They are especially enthusiastic about the current public relations program to expand opportunities for the small practitioner through pamphlets and articles in trade magazines, and about the proposed manual on conducting a practice. The perennial problem of educating the public to appreciate the significance of the CPA certificate was frequently mentioned. Many members

[Continued on page 2]

## NEWS OF THE MONTH

Don't look now . . .

But **THE CERTIFIED PUBLIC ACCOUNTANT** has a new design. You will note that even its title has been changed. Everyone has called it **THE CPA**—and so, bowing to the inevitable, it has been baptized with this name.

All this, of course, is part of a conspiracy to trap the reader's interest. The staff on its recent tours (see next column) discovered that we have not wholly succeeded in capturing your attention with items in **THE CERTIFIED** . . . that is, **THE CPA**. So some typographical devices will be used to catch the wandering eyes. Like this:

\* \* \*

**The recent letter to 20,000 non-member CPAs, explaining benefits of AIA membership, produced 3,800 replies and 1,300 requests for application blanks. Total membership to date: 15,345—a net increase of 1,910 in the last year. A record 673 applications were received in April and May.**

\* \* \*

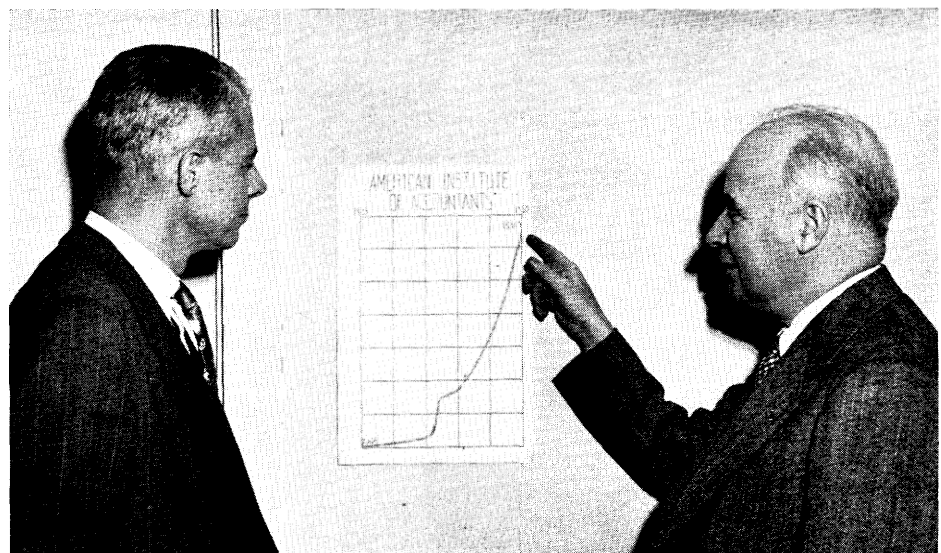
But boldface type is not the only device which will be used to attract attention to this column. Some of the items will be run together, written in a telegraphic prose, e.g.:

\* \* \*

**Trade Pieces:** Five more trade magazines (combined circulation: 96,382) will carry Institute-promoted articles on the services which CPAs can render to small business. Tentative schedules: *American Druggist* (Aug.); *National Photo Dealer* (July); *Ameri-*

[Continued on page 7]

## TWENTY-FIVE YEARS WITH THE AMERICAN INSTITUTE



President J. Harold Stewart (right) congratulates Executive Director John L. Carey at the end of a quarter century on the job. Employed as an assistant to the late A. P. Richardson in June, 1925, he

became secretary in 1930. Two years ago, the title of secretary was changed to executive director. The chart shows how membership has grown from 2,008 to more than 15,000 in the past 25 years.

An increasing number of state societies and chapters are assisting candidates to prepare for the CPA examination. *Minnesota Society* members met candidates informally the day before examinations began. *California's Fresno Chapter* and Fresno State College sponsored three lectures by CPAs who had recently passed the examination. *Michigan Association* scheduled four programs for candidates, at Wayne University.

*Washington Society* entertained new CPAs at a dinner in Seattle, May 12. State Board Chairman Roy C. Comer presented awards to top-ranking candidates in the 1949 examinations.

*Florida Institute* joins the lengthening list of state societies honoring candidates with the highest examination grades. First awards, based on the November, 1949, examination, were presented at the annual meeting in Orlando last month.

*California Society's* directors have approved a Voluntary Unemployment Compensation Disability Insurance program. This plan provides more liberal employee benefits than the State-administered plan at no extra cost to employees, and protects employers against payroll loss due to disability. Members employing one or more persons can choose between two alternatives: insurance wholly paid by employees' contributions; or expanded benefits over a longer period, paid jointly by employee and employer.

*Arizona Society* invited state bar members to hear R. C. O'Connor, Prentice-Hall vice president, discuss tax research at its annual meeting.

*New York State Society's* president-elect, Maurice E. Peloubet, is believed to be the first man to head two state CPA organizations. He was president of the New Jersey Society in 1927-29.

*Massachusetts Society's* new booklet, *The Certified Public Accountant in Massachusetts*, explains the functions, services, and contributions of the CPA in an industrial economy. Addressing small businessmen, the booklet notes: "Even the man with only a few employees is likely to need the assistance of the qualified accountant."

**\$500 FOR REPORT SUGGESTIONS**

Don't overlook the chance to win that \$500 offered by the committee on education for the best program for training professional accounting staffs in business writing. Chairman John W. McEachren reminds us that the September 30th deadline for submitting manuscripts is creeping up.

This competition is open to everyone, including staff members of public accounting firms. Proposals should emphasize training in composition of reports, letters, memorandums, and technical articles. They should not be treatises on grammar, discussions on preparing financial statements or working papers, appraisals of accounting philosophies, or comments on staff training for technical proficiency. Adaptability of the program to public accounting offices of various sizes will be a major consideration in making the award.

Manuscripts should be sent to Educational Director Robert L. Kane, Jr., at the Institute. The committee on education will be the sole judge of all entries, and will retain the papers for possible publication or reference.

**CPAs IN LIST OF PROFESSIONS EXEMPT FROM SOCIAL SECURITY**

The bill amending the Social Security Act (HR 6000), reported by the Senate Finance Committee May 17, names self-employed certified public accountants together with lawyers, doctors, architects, engineers, and other professional groups whose members are not to be covered by federal old-age insurance.

Inclusion of CPAs in the list followed a request from Institute President J. Harold Stewart, approved by a majority of the executive committee. Earlier the executive committee had voted to take no action in this matter for two reasons: first, certified public accountants were one of several professional groups not mentioned in the original bill and thus the omission did not imply a lack of recognition for the profession; second, a substantial minority of self-employed Institute members, replying to a questionnaire, had indicated their desire for coverage under the act.

However, on April 24, amendments

to the bill were announced which added architects, professional engineers, and naturopaths to the list of professions previously specified. This left CPAs practically the only professional group not named, which could have been interpreted as an indication that Congress did not regard CPAs as a recognized profession.

Meanwhile, the final count on the questionnaire indicated a larger majority in favor of having certified public accountants named in the bill than earlier returns had indicated. The executive committee accordingly felt obliged to take prompt action to safeguard the professional status of CPAs.

Certified public accountants who are employees, and all employees of CPAs, are covered by social security and are not affected by the recent amendment to the bill.

**Nineteen Cities** [Continued from page 1]

warned that in emphasizing superior qualifications of a CPA, the impression that his services are too costly for the small businessman should be avoided. Channels of communication between the Institute and members are not wholly satisfactory. Many did not know about a number of facilities and services, although they have been described from time to time in Institute publications.

Basic purpose of the field trips is to help solve the problem of acquainting members with our objectives, activities, and our program for the benefit of the smaller practitioner. Preliminary appraisal indicates that the spring tours were welcomed by members who participated. Further tours may be undertaken in the fall.

The recent itinerary follows: Administrative Secretary H. T. Winton: Trenton, Paterson, and Jersey City, New Jersey. Public Relations Director Charles E. Noyes: Manchester, New Hampshire; Hartford, New Haven, and Bridgeport, Connecticut. Educational Director Robert L. Kane, Jr.: Albany, Syracuse, Rochester, and Binghamton, New York. William S. Papworth, Managing Editor of *The Journal of Accountancy*: Youngstown, Warren, Canton, Mansfield, Wooster, Mount Vernon, Lima, and Toledo, Ohio.

## ONTARIO ACCOUNTANCY ACT

An Act regulating the practice of public accountancy in the Canadian Province of Ontario will become effective August 1. Only those licensed under the Act may hold themselves out as public accountants after that date. The Act provides for the extension of recognition to public accountants licensed in other Canadian provinces. Non-residents may be permitted to practice subject to regulations of the Public Accountants Council of Ontario. A more detailed discussion of this legislation will be published soon in *The Journal of Accountancy*.

## AIA PRESIDENTIAL NOMINEE QUOTED IN U. S. SENATE SPEECH

T. Coleman Andrews of Richmond, Virginia, chairman of the Institute committee on federal government accounting and presidential nominee for the fiscal year 1950-51, was quoted in the United States Senate on May 15 by Senator Styles Bridges (N.H.).

Urging economy in Federal Government through adoption of improved accounting practices, Senator Bridges said:

"The Government of the United States is often referred to as the largest business in the world, but no business could possibly survive if it used the bookkeeping procedures employed by the Federal Government. The collectors of internal revenue impose most precise requirements on how a taxpayer should keep his books, but as T. Coleman Andrews, who is chairman of the American Institute of Accountants committee on governmental accounting, has said:

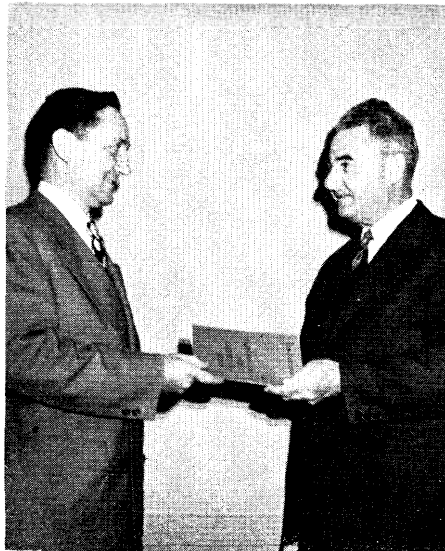
"It—the Government—has not itself had an accounting system worthy of the name. There is no central accounting department and no officer solely responsible for seeing that regular understandable reports are submitted to the people, Congress, or the President on how the taxpayers' money is being used. Only a few years ago the Treasury announced a surplus when actually a deficit existed which was several times the reported surplus. If the average business firm kept no more appropriate and informative books than the Government, it would soon be bankrupt for lack of financial data which management needs to do its job successfully."

## STATE LEGISLATION

Louisiana legislature received on May 23 a bill (HR 515) to exempt from the CPA exam World War II veterans meeting the following requirements: two-year residence in the state immediately prior to enactment; honorable discharge between Dec. 7, 1941-Sept. 2, 1945; completion of specified accounting courses in accredited schools; good moral character; five years' public accounting experience under a CPA as an employee of an individual accountant, firm, state or a political subdivision.

New Hampshire, at a special session which adjourned May 18, passed House Bill 1-X, a reorganization bill transferring the board of accountancy and other professional boards to the State Department. Primarily an economy measure, it does not change the board's powers nor its administration of the accountancy law.

## AUDIT BOOK FOR BANKERS



Research Director Carman G. Blough (right), presents an advance copy of the new booklet, *Audits by Certified Public Accountants—Their Nature and Significance*, to Louis L. Seaman, assistant vice president of Irving Trust Company, New York City, chairman of the Robert Morris Associates committee on cooperation with public accountants. The booklet, prepared by the research staff in consultation with RMA, national organization of bank credit men, will soon be mailed to 15,000 bankers and to Institute members.

## NEWS OF MEMBERS

On the school circuit, members have been helping graduates decide whether to venture on an accounting career: Urban J. Albers, St. Louis, at Afton (Mo.) High School . . . George W. Pierce, Boston, Bentley School of Accounting and Finance . . . Abner J. Starr, Cincinnati, Miami University . . . Stanley S. Tunick, New York City, College of the City of New York.

Other speaking engagements: Osa F. Alexander, Greenville (Texas) Kiwanis Club . . . George R. Donnell, San Antonio, and Fred F. Alford, Dallas, Southern Methodist University; J. Homer Hardy, Chattanooga, Industrial Personnel Conference, Knoxville . . . Grant Judge, Houston, Ark-La-Tex Tax Institute, Shreveport, La. . . Carlos S. Nicolas, Jr., Placerville, Cal., Roseville Chamber of Commerce . . . Russel A. Pearson, Seattle, Washington, Seattle Bar Association . . . Walter W. Peters, Cincinnati, National Association of Bank Auditors and Comptrollers, Cincinnati Conference . . . A. Preston Petty, Jr., Shreveport, Louisiana Master Plumbers . . . Edward L. Pitt, Cleveland, Eastern Regional Conference, American Society of Women Accountants . . . J. Dozier P. Arnold of Birmingham has addressed 12 Alabama organizations on taxes in the past three months.

Extra-curricular jobs acquired by members: Waldo E. Brooks, Dubuque, Iowa, vice president, community chest and general chairman of its fall campaign . . . Thomas B. Lee, San Antonio, vice chairman of Fiesta San Jacinto Association . . . Edward J. McDevitt, Boston, trustee, Boston High School of Commerce Alumni Educational Fund . . . Jennie M. Palen, New York, chairman, Women Accountants Division, New York Heart Association.

## CPAs NAMED AS ADVISERS TO MICHIGAN STATE CONTROLLER

Three Institute members have been appointed on a committee to assist the Controller of the State of Michigan in improving technical work of the Department of Administration—accounting, budgeting, building construction, purchasing, office services, motor transport, property management. They are George D. Bailey of Detroit; Lyman W. Oehring, Saginaw; and George W. Schwarz, Wyandotte. Other committee members represent the Controllers Institute, Detroit Purchasing Agents Association, and the American Institute of Architects.

# The Journal:

by JOHN L. CAREY

**I**T might be claimed with some justice that the accounting profession's greatest tangible asset is *The Journal of Accountancy*.

Familiar things are taken for granted or, as we say in New York, you never miss the water till the well runs dry. Not many members of the Institute, I think, fully appreciate the contribution that has been made to the development of their profession by that familiar brown-covered magazine which they receive each month (sometimes it seems more often).

Consider some of the things *The Journal* does:

It keeps the members informed of current events and opinions.

It promotes membership in the Institute. Many accountants first learn about the organization from *The Journal*. The fact that members get *The Journal* free is an inducement to apply for membership.

It is a spokesman for the profession. Views of certified public accountants on any question can be presented through it to the public—by sending copies or reprints to editors, legislators, or others interested.

Because it is an authoritative and workmanlike publication, it is respected by outsiders and thus adds



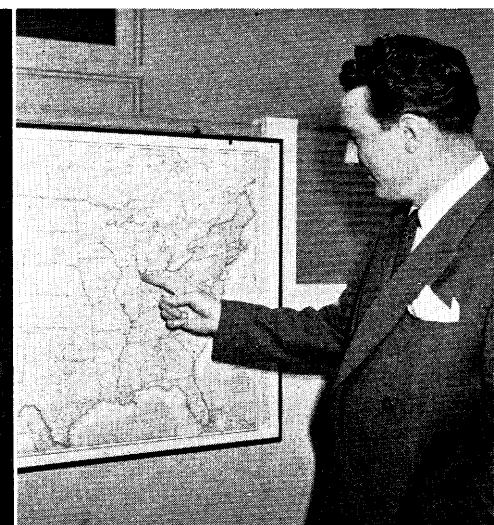
**1. Birth of a *Journal* article.** An author transfers his thoughts to paper. His goal: not material reward but the satisfaction of contributing to professional literature.



**2. Will it make the grade?** Publication committee member, Joel Hunter, Jr., casts a critical eye at the author's work. Every manuscript submitted must pass this test.



**3. What goes into the next issue?** Managing editor William S. Papworth (center) and his editorial staff plan the contents to insure timeliness and maximum interest.



**4. Advertising Manager "Mike" Mason points to the location of a new advertiser.**

# Greatest Asset of the Accounting Profession

prestige to the accounting profession.

It has more than 15,000 subscribers who are corporation officials. These men represent CPAs' clients, so *The Journal* serves as a communication medium with this important group.

It is an information channel between the profession and students of accounting—more than 10,000 students now subscribe at special rates. It is widely used in classrooms and as supplementary reading and thus makes a major contribution to accounting education.

It is a forum for discussion of controversial subjects and exposure of new ideas. It serves as a testing ground for technical innovations and policy decisions.

It binds the accounting profession together, providing the one experience that nearly all accountants share. In a relatively new profession without common education or training requirements, this may be its most important function. It permits the whole profession to focus on the same things at the same time.

It reaches accountants outside of the U. S. Foreign subscriptions now total 2,209.

It has now come to be a source of financial profit to the Institute. It is re-

quired to pay income taxes, and is expected to produce net income in the current fiscal year. It pays, of course, a pro rata share of the overhead at the Institute's headquarters, as well as all direct and indirect costs involved in its publication.

## Fifteen on Publication Staff

For many years the magazine was put out with the help of an editor, one assistant, and a secretary. But as the contents and the circulation both began to grow rapidly, it became obviously desirable to enlarge the staff.

At present there is a staff of 15, including myself as editor. Production of the magazine is under the immediate supervision of William S. Papworth, managing editor. He has four assistants in the editorial department. Circulation and promotion is carried on by Robert Dale, with seven assistants.

Advertising sales are the responsibility of "Mike" Mason. He took over the job of advertising manager on the death of George H. Sherwood, who for 12 years had built up the advertising pages substantially.

Several years ago a professional editorial research organization was employed to conduct several readership

surveys. Analysis of the results stimulated changes in the format and content of *The Journal*, designed to make it more inviting to readers. These changes were followed by another spurt in circulation.

The following figures tell the story:

Year	Circulation	Advertising Volume
1920	14,700	\$ 13,200
1930	10,600	13,323
1940	14,000	14,508
1950	54,000	115,000

The present slogan of the editorial staff is "Accounting in Action." Effort is being made to publish more material dealing with the actual uses and applications of accounting in real life as contrasted with purely theoretical and abstract articles. The purpose is to make *The Journal* useful in the daily work of its readers as well as an authoritative leader in the development of accounting thought. This new policy also will require more attention to the people who are doing things, which should add to the human interest of *The Journal's* contents, the lack of which has been perhaps its greatest deficiency.



5. Pressman examines a 32-page sheet as it slides off one of the huge presses which print about 1,000 Journals an hour.



6. Journals rolling from binding machine onto trimmer which evens the edges of pages; then stacked on skids for mailing.

## MEMBERS ELECTED MAY 31, 1950

**Alabama**  
Anniston: William F. Andrews, Jr.  
Selma: George Ellis Carter

**Arizona**  
Tucson: Mary E. H. Ross

**Arkansas**  
Hot Springs: Oscar W. Luebben  
Jonesboro: Knox L. Webb

**California**  
Alhambra: Carl C. Sager  
Los Angeles: Earl Franklin Bryant;  
John William Cochran; Thomas L.  
Gallagher, Jr.; John H. Overton  
Ontario: Milton J. Thurber  
San Francisco: A. W. Gallagher;  
Richard H. Kent; Jack H. Polly  
Stockton: Emile Rene Jardine  
Ventura: Frank J. Soares

**Colorado**  
Denver: Sam R. McClure  
Grand Junction: Robert L. Parent

**Connecticut**  
Bridgeport: Paul Kaufman  
New Haven: Raymond W. Andrews;  
Thomas V. Creaven; Joseph J.  
Farrell; Paul Filipowich; Stephen  
G. Gessner, Jr.  
Hartford: E. Allan Epstein; Ray-  
mond H. Vosburgh, Jr.  
West Hartford: Robert Davis Miller

**Delaware**  
Wilmington: Harold Rose

**District of Columbia**  
Washington: Hyman Lewis Krieger;  
Edward T. McCormick

**Florida**  
Gainesville: James S. Lanham  
Lake Wales: Robert S. Waite

**Georgia**  
Atlanta: Wm. O. Matthiessen, Sr.;  
Harvey Dean Ogletree

**Illinois**  
Chicago: F. Andrew Best; A. F. Bil-  
lings; George V. Carraccio; Newell  
P. Crockett, Jr.; Dwight H. Davis;  
Harvey O. Edson; William A. El-  
liott; R. E. Hansen; Harry E.  
Kellogg; William J. Laird; John  
F. Ryan  
Moline: Raymond C. Culbertson  
Peoria: George E. Morgan

**Indiana**  
Gary: Anthony J. Moss

**Iowa**  
Cedar Rapids: Edward A. Williams  
Davenport: Ivan Bull

**Kansas**  
Hutchinson: Norman R. Settle  
Winfield: Edw. B. Stephenson

**Kentucky**  
Louisville: J. Martin Conder; Gay-  
lord C. Hall, Jr.; Emmett W.  
Kottke

**Louisiana**  
Lafayette: Paul Wayne Burnam

**Maine**  
Portland: G. D. Woodward

**Maryland**  
Baltimore: Chas. H. Feihe; Morris  
J. Solomon

**Massachusetts**  
Boston: Richard A. Sylvester  
Worcester: James E. Griffin

**Michigan**  
Detroit: Leon V. Braknis; Carl W.  
Brieske; John Howard Dodge; W.  
M. Hebblewhite; Bernard J. Kumer;  
Frank H. Moeller, Jr.; Ster-  
ling B. Stage; Gerald M. Waters  
Monroe: Samuel G. Carlton

**Minnesota**  
Minneapolis: Herbert H. Bell; Leo  
A. Levin; Willard J. Mullen  
St. Paul: R. W. Brust

**Mississippi**  
Belzoni: James T. Bridges  
Meridian: Frank L. Giffin; John H.  
Stuart

**Missouri**  
Clayton: Charles T. Dee  
Higginsville: Charles Ralph Hutche-  
son  
Kansas City: Gertrude B. Cuneo;  
John J. Haith; E. H. Welter  
St. Louis: H. J. Brusselback, Jr.;  
Dudley W. Denton; Arthur Lieber,  
Jr.; Anthony J. Zimmer

**New Jersey**  
Newark: William F. Bott; E. J. En-  
thoven; Kenneth J. Loughery

**New Mexico**  
Carlsbad: A. S. Zachry, Jr.

**New York**  
Brooklyn: E. E. Allain  
New York City: Thomas Marbury  
Antonsen; Stanley Bass; Mark S.  
Berman; Charles A. Emerich, Jr.;  
Theodore B. Epstein; Joseph N.  
Fina; Howard Russell Ford;  
Charles J. Gerhardt; Isidore  
George Goldberg; Jerome Gruhn;  
Sidney J. Haimes; Thomas Fran-  
cis Hanley; Edwin Jonathan Har-  
vey; Robert H. Horst; John E.  
Hubert; Norman B. Juskowitz;  
Nathan Katkin; Joseph Katzman;  
Harry W. Kennedy; Marcel Klar-  
mann; Robert G. Koepfel; Ira J.  
Meyer; John J. Mulcare; Robert  
A. Pierson; Morris Rader; Her-  
man H. Rosen; Isidore Rosenblum;  
Paul Saffro; Irving Sagor; Robert  
A. Schremp; Russell E. Stevens;  
Robert C. Szladek; Abraham H.  
Wasserman  
Syracuse: Alvin O. Bieling  
Webster: J. E. Wright

**North Carolina**  
Charlotte: John A. Campbell; Rich-  
ard E. Fechhelm; Frank C. Thor-  
neloe  
Rocky Mount: Frank E. Butler  
Salisbury: William L. Benson, Jr.

**North Dakota**  
Grand Forks: Raymond Robert Smith

**Ohio**  
Canton: Charles Rex Kistler  
Cincinnati: Joseph K. Crute  
Cleveland: Richard Norris Collier;  
William P. Kolb; Howard E. Mc-  
Gaughy; Ralph J. Vesely; Philip  
P. Yarkony  
Columbus: John R. Vagnier  
Dayton: Robert E. Hadelier; Quentin  
C. Roche  
Delaware: Reynol V. Ullom  
Toledo: Ralph Edward Lancaster  
Westerville: Paul R. Cone  
Youngstown: Marshall H. Jones

**Oklahoma**  
Oklahoma City: Dorothea Watson  
Shawnee: Gerald D. McGehee  
Tulsa: Otis W. Winchester; Gordon  
L. Wright, Jr.

**Oregon**  
Portland: Allen V. Cellars; Allan L.  
Shepard

**Pennsylvania**  
Philadelphia: Geo. H. Ostermayer,  
Jr.; J. Irving Weinberg  
Pittsburgh: Walter J. Tierney  
Reading: F. Ferrer Wilson

**Rhode Island**  
Lonsdale: Arthur M. Hvoslef

**South Carolina**  
Charleston: John F. Tobin

**South Dakota**  
Rapid City: Charles D. Dunmire

**Tennessee**  
Nashville: John C. Guilliams

**Texas**  
Amarillo: Zed Doshier, Jr.  
Dallas: John Carver; Frank H.  
Grost; William J. Lasater  
El Paso: Frank Keton III  
Fort Worth: Donald L. Pardue  
Houston: Kenneth G. Donnalley;  
William J. Underwood  
Port Arthur: Charles E. Neumann  
San Angelo: Lee W. Sanders  
San Antonio: Fred C. Groos, Jr.

**Utah**  
Salt Lake City: Eldon W. Hansen;  
Robert H. Lester; J. Karl Max-  
well

**Washington**  
Seattle: Harold W. Haynes

**West Virginia**  
Wheeling: Joseph M. Dreyfuss

**Wisconsin**  
Eau Claire: Clyde L. Cass  
Milwaukee: Thomas N. Wohlrahe  
Wausau: W. L. Christensen

**Central America**  
Guatemala City: W. Allen Levy

**Hawaii**  
Honolulu: Helen L. Riker

## APPLICANTS RECOMMENDED FOR ADMISSION

The committee on admissions has given consideration to applicants for membership in the American Institute of Accountants and recommends the admission of 63 applicants who have been accorded credit for having passed examinations acceptable to the committee on admissions and 184 applicants who have passed the uniform examination for the CPA certificate in participating states.

**Alabama**  
Mobile: Robert A. Cox  
Birmingham: John E. Evans

**Arizona**  
Phoenix: Jacob Shaphren

**Arkansas**  
Little Rock: James E. McCarthy;  
Carl Emry Warren

**California**  
Bakersfield: Joe McCown  
Calistoga: Gordon Joseph Seiberlich  
Eureka: Orville H. Marcellus, Jr.  
Fresno: J. Maxwell Cadwallader  
Los Angeles: James W. Bontems, Jr.;  
Harry A. Cohen; Joseph L. Pax-  
son; Alvin C. Pritchard; Harold  
G. Rider; Gilbert Rochlin; Edward  
P. Tagge; Milton F. Willner, Jr.  
Palo Alto: Homer N. Stephenson  
San Francisco: Edward John Kelly;  
Frederic D. Kerr; Edward Dodge  
Stroud; Victor T. Vinson; Howard  
N. West  
Santa Rosa: Loren Severns, Jr.

**Colorado**  
Denver: Robert R. McCluskey; Leo  
Plon

**Connecticut**  
Bridgeport: Theodore P. Knecht;  
Harry G. Koehler  
Fairfield: John M. Leask, Jr.  
New Haven: Spencer B. Hirst

**District of Columbia**  
Washington: Curtis M. Bushnell;  
Lionel B. Farr; David M. Kuraner;  
Paul Pernecky, Jr.; Lester W.  
Peters, Jr.; Earl Clifford Sharits;  
Robert C. Smith

**Florida**  
Miami Beach: S. J. Morrow; Kurt  
Wellisch  
Pensacola: Julius Howard Spann

**Georgia**  
Atlanta: Stuart Keith Utterback  
Columbus: Jack C. Favors

**Illinois**  
Chicago: Morton H. Beckerman;  
Richard J. Boland; Joseph Boren-  
stein; Jonathan Quarmy Caldwell;  
Max E. Cooper; Clifford T. Fay,  
Jr.; Carmen W. Frale; Lonnie R.  
Hinds; Henri L. Libman; Edward  
Stephen Manka; Alan McNaugh-  
ton; Bennett N. Nelsen; Frank B.  
O'Brien; Kenneth Monroe Od-  
mark; J. F. Seianas; Norman D.  
Shapiro; Leo J. Sokol; LeRoy  
Alexander Smith; Richard N.  
Strass; Charles A. Utzinger

**Indiana**  
Anderson: Donald C. Faris  
Indianapolis: Wm. A. Markle;  
Thomas E. Purky

**Iowa**  
Waterloo: Kenneth J. Burke

**Kansas**  
Kansas City: Glenn W. Byrd; Rob-  
ert Gladman  
Topeka: Robert P. Mize

**Kentucky**  
Ashland: H. M. May  
Louisville: Henry A. Cox

**Louisiana**  
Baton Rouge: J. A. Bond  
New Orleans: Wm. R. Gilliland

**Maine**  
Portland: George L. Cross

**Maryland**  
Baltimore: Jack L. Ewald; Lawrence  
E. Russell, Jr.; James Wesley  
Trott; Elliott C. Winner

**Massachusetts**  
Boston: Robert Preston Beach; Mau-  
rice Chadis; Robert E. Kenoyer;  
Robert D. Moran; Richard F.  
Riley; Richard Yardley  
Fall River: Harold Shabshelowitz

**Michigan**  
Detroit: George Baditoi; Edward G.  
Bernacki; Louis E. Boeldt; James  
B. Bonner; Reuben E. Savala; Wil-  
bur E. Sharpe  
Lansing: Robert S. Coors; Leo E.  
Smith  
Monroe: W. H. Banks  
Muskegon: Marshall H. Ferrell  
River Rouge: Karl W. Schettenhelm

**Minnesota**  
Minneapolis: Orlaf B. Hylle; Ra-  
phael E. Larson  
St. Paul: Wallace T. Johnson  
Tracy: Ermin Jerome Windschill

**Mississippi**  
Greenwood: J. S. Sutphen, Jr.  
Jackson: Louis H. Rhymes; R. K.  
Stephens

**Missouri**  
Clayton: A. B. Cekovsky  
Joplin: Jack E. Longenecker  
Kansas City: Adolph Harry Car-  
lson; Lee J. Cooper; Leonard V.  
McDivitt; Edward K. Montgomery;  
Leslie E. Murphy; Edward  
H. Vering  
Kennett: Joseph Lynn Smith  
St. Louis: Melvin M. Bloom; J.  
Harry Boka; Joseph W. Branson;  
Roy A. Brinkmann; James Lloyd  
Fox; Roland Geiger; Marvin E.  
Gettle; David W. Muir; Alvin A.  
Puster; Fred K. Trautman; Joseph  
G. Wilson  
Sikeston: James H. Bucher  
University City: Charles Rothman

**Nebraska**  
Omaha: Walter L. Dickey; C. R.  
Dierks; Robert S. Morrow  
Sidney: Donald L. Erb

**New Jersey**  
Hackensack: Louis S. Korb  
Newark: Edward J. Kocis; J. A. Mc-  
Cabe; Jack H. Stifelman  
Passaic: Saul J. Newell  
Paterson: Elmo G. Valle

**New York**  
Albany: William I. Schwartz  
Binghamton: Shirland H. Bouton;  
Joseph Henry Kalmbacher  
Cortland: Lawrence Joseph Dippold  
Jamaica: L. I. Harold Pearlman  
New York City: Irving Begelman;  
Abraham P. Bersohn; Thomas C.  
Breen; Joseph Carr; Goodrich  
Frederic Cleaver; Martin M. Dar-  
row; Raymond C. Dickieson; Sol  
Finkelman; Edward Robert Flana-  
gan; John J. Fried; John E. Gehr;  
Edward Gewitz; Leo Goldschlager;  
Irving Golub; Bernard J. Gordon;  
Philip Kalish; Oscar R. Kunreu-  
ther; Leon L. Lipner; George M.  
Lubin; Lincoln Orens; Julius Paul;

## FIRM ANNOUNCEMENTS

- RUSSELL S. BOGUE & COMPANY, 501 Morgan Street, Tampa, Fla., has admitted R. Bob Smith to partnership.
- THEODORE C. H. CHAR AND C. A. FROMM of Honolulu, Hawaii, have dissolved the partnership of Char and Fromm. Mr. Char has formed a new partnership with Samuel Cho under the name of Theodore C. H. Char & Company, Suite 2-B, James Campbell Building, Honolulu 13. Mr. Fromm will practice under his own name at Suite 414, Castle & Cooke Building, Honolulu.
- NORMAN T. DILL AND JOHN C. GAY have formed a partnership with offices in the First National Bank Building, Mobile, Ala.
- JOSEPH EISENBERG & Co., 261 Broadway, New York 7, has admitted Jack A. Rosenberg to partnership.
- ROBERT M. GANE has opened an office at 1921 Russ Building, San Francisco 4, Cal.
- RAY G. MCKENNAN, THEODORE K. RIDDIFORD, AND ROMAN F. SEVENICH have formed a partnership, with offices at 2510 Foshay Tower, Minneapolis, Minn.
- PEAT, MARWICK, MITCHELL & Co. has opened an office in the Union Central Life Building, Cincinnati, O., under the management of J. Tracy Kropp.
- HARRY A. SAVAGE has opened an office at 727 National Bank Building, Lima, O.
- HERBERT STRAUSS & Co., 274 Madison Avenue, New York 16, has appointed Internationale Revisions-und Treuhand-Gesellschaft, MBH (International Audit and Trust Company) as its agents for western and central Europe.
- ARTHUR YOUNG & COMPANY has moved its New York City office to 165 Broadway, New York 6.

## News

[Continued from page 1]  
*can Printer* (June); *Gift and Art Buyer* (July); *Geyer's Topics* (July) . . . Off the Presses: The third edition of the Institute's booklet, *The CPA Examination: Gateway to a Profession*, has just been published. About 50,000 copies have been distributed on request in three months . . . Call for Books: The Ferris Institute of Big Rapids, Mich., training accountants since 1884, has appealed for accounting texts and other technical publications for its fire-destroyed library. The AIA has sent a number of books; members might also like to help . . . New PR Assistant: Harold R. Larson of Oregon, recent Boston U. graduate student, joined the PR staff last month. He succeeds Richard Olmsted who resigned to travel in Europe . . . More on 23: Research Director Carman G. Blough has an article on Statement 23 in a forthcoming issue of *Credit and Financial Management* magazine. *Banking* — American Bankers Association journal—will soon publish a similar article by Executive Director John L. Carey.

\* \* \*

Just in case that trick does not work—let us try another. An item in italics might flag down the straying reader. Thus:

*The eighth in a series of case studies — introducing a group of studies referring to audits of small businesses — will be sent to the membership soon. Sponsored by the auditing procedure committee to illustrate actual applications of auditing techniques, the new*

*study describes audits of "A Steel Fabricating Company" and "A Small Restaurant."*

\* \* \*

- Attendance at the annual meeting (Oct. 2 to 5, Hotel Statler, Boston) is expected to break all records. Members are urged to return promptly the reservation cards sent to them recently with a folder describing preliminary plans for the meeting. First-comers will be housed in the Statler; late-comers in nearby hotels. Or choose your own location, while accommodations last.
- More than 900 employees (in 172 public accounting firms) took part in the expanded testing program in April offered by the selection of personnel committee.
- The Society of Incorporated Accountants and Auditors invites any interested AIA member to be its guest at a seminar on advanced accounting at Oxford University, England, Sept. 14-19. For details write the Institute.
- The Institute of Chartered Accountants in England and Wales will hold its annual accounting course, at Oxford, September 7-12. George Cochran, president of New York State Society and former AIA vice president, will speak.
- Oops!—in the caption of the photo of nominees for Institute officers last month, names of Messrs. Battelle and Wilcox were reversed.
- Comments on the changes made in this issue would be most welcome. The invitation is not a fishing expedition for compliments. The staff will blush modestly if anyone presents a bouquet; it is also prepared to duck brickbats.

Hyman A. Pervin; Herbert Rothschild; Charles P. Schleicher; Alfred M. Schuyler; Arthur Seideman; Herman M. Shapiro; Frank H. Shevit; Norman Silberdick; Simon Silver; Seymour Trager; Warren S. Woolley; Paul R. Young

### North Carolina

Kannapolis: John Alexander Daniels

### Ohio

Cincinnati: James H. Bashford  
 Cleveland: John A. Gidney; Herbert F. McVay; Paul D. Smith  
 Columbus: Harmon W. Beyer; Lorenzo D. Mathews, Jr.  
 Oxford: Albert G. Wald  
 Toledo: Rankin T. Kimura  
 Troy: Dale R. Eberly

### Oklahoma

Oklahoma City: Gerald N. Eason

### Oregon

Eugene: A. H. Bates  
 Portland: Sidney M. Cooper; Lloyd J. Couch

### Pennsylvania

Ardmore: Edward A. Diefenbach  
 Philadelphia: Cyrus B. Coffey; R. F. Dubraska; James W. Healey; James Lord Rigby; H. Edward Slough; George F. Vanderslice; Laurence R. Wiggins; Joseph Zozofsky  
 Pittsburgh: William L. Edwards, Jr.; Richard C. Wetzel; John N. Wilson, Jr.  
 Reading: Mark Reber  
 Scranton: Irving Sicherman

### Rhode Island

Providence: Howard William Chatto  
 Woonsocket: Joseph F. Knapp; Arthur McMurtrie

### Tennessee

Knoxville: Gordon S. Nelson  
 Nashville: R. D. Anderson; Charles M. Bibb, Sr.; F. G. Langham, Jr.; Joe Baxter Tindall, Jr.  
 Memphis: Joseph R. Taylor

### Texas

Dallas: Gene W. Hewett; J. E. Pope; J. L. Simmons; R. B. Smith; Fred H. Watts  
 Fort Worth: Alan T. McCleery  
 Fredericksburg: C. O. Balsler  
 Houston: F. L. Freitag; W. Byron Garrett; Edgar N. Howard; William Aaron Olson; Gus Newton Reeves; Jack W. Still; Robert Moroney Williams; Clyde L. Wilson, Jr.  
 Midland: Maynos A. Murphree  
 Pasadena: L. D. Carter  
 San Antonio: Donald R. Eaton  
 Texas City: Robert A. Casey  
 Waco: John Shelby Scott; Billy B. Story

### Virginia

Arlington: John Franklin Swart, Jr.  
 Richmond: Carle E. Davis  
 Roanoke: Albert E. Shank

### Washington

Seattle: Jerome J. Curry; Otto A. Mosley  
 Spokane: John A. Morris  
 Tacoma: Dallas John Purnell

### Wisconsin

Appleton: Carl J. Becher  
 Madison: Claude S. Holloway; Robert E. Wegner  
 Milwaukee: Frank M. Bayer; W. R. Christensen; Harold A. Lanphear; Albert J. Maier; Henry Stark; L. J. Welsch

These applicants do not become members until voted upon by council and declared elected by the president. If protest is to be made against any applicant on the list it should reach the office of the Institute on or before June 30, 1950.



## NOMINATIONS INVITED FOR INSTITUTE AWARDS

Ralph B. Mayo of Denver, chairman of the committee on annual awards, urges members to nominate candidates for awards to be presented at the annual meeting. Two awards are offered: one for outstanding service to the profession; the other for the year's outstanding book or article in auditing or accounting. Recommendations, including a complete description of the candidate's accomplishments, should be sent to the Institute before July 15.

## DIARY—OFFICERS AND STAFF

• Officers and staff members have had a busy month visiting state CPA societies and talking with members of the Institute, individually and in small groups, throughout the country. A few of their recent engagements:

• President J. Harold Stewart: Louisiana Society's annual meeting, New Orleans, May 4-5.

• Vice President Maurice Austin: California Society's annual meeting, San Francisco, June 7-9; Texas Society's annual meeting, Dallas, June 11-13.

• Vice President James I. Keller, Jr.: Georgia Society's annual meeting, Savannah, May 26-27.

• Executive Director John L. Carey: Buffalo Chapter, New York State Society, May 8; Officers and directors, Ohio Society, Cleveland, May 9; Michigan Association, Detroit, May 11; Indiana Association's annual conference, South Bend, May 12-13; Virginia Society's spring meeting, Virginia Beach, May 18-19.

• Research Director Carman G. Blough: Virginia Society, May 18-19; Texas Society, June 11-13.

• Public Relations Director Charles E. Noyes: Vermont Society's annual meeting, Burlington, June 10.

• Educational Director Robert L. Kane, Jr.: Siena College, Albany, New York, May 11.

• The Institute was represented by its officers, committee chairmen, and staff at a series of regional conferences this month. The programs will be reported in the July issue.

## OBITUARIES

JOSEPH K. BRELSFORD (1924 member) died at his home in Topeka, Kansas, on March 11. He was a partner in the public accounting firm of Brelsford, Gifford and Hardesty. A CPA of Kansas and Missouri, Mr. Brelsford was a member of the Kansas board of examiners. Born in Kinsley, Kansas, he studied at Kansas Wesleyan Business College, Kansas City School of Law and Finance, and Walton School of Commerce in Chicago. He had been employed in banking, as auditor of a chain of mills, as general manager of All Products Grinding Machine Company with offices in Wichita, Kansas, and Pueblo, Colorado, and as a staff member of Wichita and Kansas City public accounting firms.

SALVATORE GRAZIANO, 43, of New Orleans (1949 member) died suddenly on April 7 while visiting in Jacksonville, Florida. Both a CPA and a lawyer, Mr. Graziano practiced under his own name. A native of Boston, he was a graduate of Boston University and Loyola University Law School. He was formerly an internal revenue agent in New Orleans.

ERNEST W. KOEHLER, 60, of Chicago, partner in Ernst & Ernst, died suddenly on May 7, following a heart attack. He was a lifelong resident of Chicago and suburbs, and a graduate of Northwestern University. After four years with the Baltimore & Ohio Railroad, he joined Ernst & Ernst in 1912.

LOUIS DE ROSSET MACMILLAN (1940 member), associate professor of accounting at Duke University, Durham, North Carolina, died in Duke Hospital there, April 10, following a brief illness. He was born in Wilmington, North Carolina, 50 years ago. A graduate of the University of North Carolina, in Chapel Hill, Professor MacMillan practiced in that community for a number of years. He had been secretary of North Carolina Association of Certified Public Accountants. During the Second World War he served with the Navy's Bureau of Supplies and Accounts, Cost Inspection Service, attaining the rank of Lieutenant Commander.

WILLIAM MCADAM, 80, of Seattle, Washington, retired CPA and former accountant with the Tacoma *News-Tribune*, died April 20. A native of England, he came to Seattle in 1889. Mr. McAdam had been a member of the Institute and predecessor organizations since 1908.

MICHAEL PEYSER, 63, of New York City (1925 member), co-founder and partner of Simonoff, Peyser & Citrin since 1913, died May 13 following a surgical operation. A native of New York City, Mr. Peyser was a graduate of New York University. He was a director of the New York State Society of CPAs and a leader in many philanthropic, fraternal, and social organizations.

## OHIO STATE HALL OF FAME ELECTS FIRST THREE MEMBERS

George O. May and Robert H. Montgomery of New York and Professor William A. Paton of the University of Michigan have been elected to the "Accounting Hall of Fame" recently established by Ohio State University.

Mr. May, retired senior partner of Price, Waterhouse & Co., is a former chairman of the committee on accounting procedure and research director of the business-income study group currently sponsored by the Institute and the Rockefeller Foundation. Mr. Montgomery, one of the founders of Lybrand, Ross Bros. & Montgomery, is a past president of the Institute and author of a number of books including *Auditing Theory and Practice*, now in its seventh edition. Professor Paton, member of the Michigan accounting faculty and the Institute committee on accounting procedure, is also the author of numerous accounting books and articles, and editor of the *Accountants' Handbook*.

The elections were announced by Samuel J. Broad, chairman of the nominating board of 45 accountants in public practice, accounting executives, and accounting teachers. Awards were presented at Ohio State's Twelfth Annual Institute on Accounting, May 19.

# CPA

270 Madison Avenue,  
New York 16, N. Y.

## OFFICERS

PRESIDENT: J. Harold Stewart  
VICE PRESIDENTS: Maurice Austin, George O. Carlson, James I. Keller, Jr., Maurice H. Stans, TREASURER: Charles H. Towns,  
EXECUTIVE DIRECTOR: John L. Carey.

# The CPA

July 1950

MEMBERSHIP BULLETIN OF THE AMERICAN INSTITUTE OF ACCOUNTANTS

## NEWS OF THE MONTH

### *Anybody want \$500?*

That's the prize offered by the Institute for the best program for training accounting staffs in business writing. Anyone can compete. Deadline: Sept. 30. Address: AIA Educational Director Robert L. Kane, Jr.

\* \* \*

### *Is such a competition necessary?*

Well, last week the Institute library received inquiries from two students. One asked for books "detrimental" to an accountant; the other wanted a list of "suggestive" books on accounting.

\* \* \*

### *What's new on the legislative front?*

A bill authorizing state accountancy board to charge each successful CPA candidate up to \$35 for his certificate and registration, plus \$7.50 annual renewal fee, has been introduced into the Louisiana legislature. Present charges: \$25 and \$3. The bill, backed by state board and CPA society, passed the House on June 28.

Legislation exempting World War II veterans from CPA exam under certain conditions has been withdrawn from the Louisiana assembly.

\* \* \*

*Have you heard about the revised proposal to regulate practice before federal agencies?*

Legislation with this purpose, as a substitute for the Administrative Practitioners Bill (HR 4446), has been introduced by Rep. Francis E. Walter (D., Pa.). New bill (HR 8201) would set up three-member credentials committee designated by the Attorney General to accredit attorneys. Individual agencies could issue credentials to agents other than attorneys under spe-

[Continued on page 3]

## Plans Set for Office Handbook

Publication of a comprehensive handbook covering every phase of the conduct of a public accounting practice was authorized by the executive committee at its meeting in New York City on June 21.

This volume, to be written primarily from the viewpoint of the smaller firm or the individual practitioner, will discuss such topics as organization and records, staff selection and training, partnership agreements, fees, review procedures, development of an ethical practice, nature and scope of auditing and other services.

The book is a major research and editorial job, estimated to require from

one to two years and an initial investment of about \$15,000.

It will be directed by a special committee: Maurice H. Stans of Chicago, chairman; Marquis G. Eaton, San Antonio; Arthur B. Foye, New York; Leslie Mills, New York; and Robert E. Witschey, Charleston, W. Va.

At an organization meeting on June 22, Chairman Stans emphasized that the committee wants to publish the kind of information most needed by practitioners and to present it in the most helpful form. Usefulness of the text, he said, will depend largely on the cooperation of Institute members and other CPAs in submitting suggestions for its development.

The handbook will not break new ground in accounting principles or audit procedure. It may contain, however, examples of financial statements in common use. Chapters may be assigned to Institute members for preparation, under committee instructions.

Other decisions by the executive committee:

Waived members' pledges for expansion of Institute activities in the fiscal year 1950-51. Review of the financial situation indicated that such contributions would not be required. Those already received will be refunded.

Resolved to request the committee on state legislation to study reciprocal provisions and interstate practice requirements of the several states, and submit proposals.

Agreed that names of principal staff members should be published in the next Institute Year Book.

Received a report that the U. S. District Court for the District of Columbia had denied the Government's motion for dismissal of the complaint filed by a firm of certified public accountants contesting validity of the new Wage and Hour regulations which apply a salary delimitation of \$75 a week to professional employees of practicing CPAs.

## ANNUAL MEETING SPEAKER



Dr. James Bryant Conant, president of Harvard University, who will address the opening luncheon of the Institute's sixty-third annual meeting at Hotel Statler, Boston, October 2. Dr. Conant, himself an eminent scientist, served as chairman of the National Defense Research Committee and Deputy Director of the Office of Scientific Research and Development before and during the Second World War.

## More Candidates Honored

Formal recognition by state societies of high-ranking accounting students and candidates in CPA examinations is on the uptrend.

A recent Institute study shows that five societies have initiated student awards this year and three have introduced awards for new CPAs. At least 22 societies present awards to either or both groups. FLORIDA INSTITUTE offers a year's membership to the CPA candidate passing at the first trial with the highest average. ALABAMA presents medals to four accounting students and plaques to their colleges. Two University of North Carolina seniors tied for the highest average and received duplicate awards from the NORTH CAROLINA ASSOCIATION.

GEORGIA SOCIETY invited all Savannah attorneys to attend its annual meeting there, May 25-27. VIRGINIA SOCIETY joined the State Bar Association in conducting the second annual federal taxation conference at the University of Virginia, June 14-17.

Emanuel Saxe, director of technical services and research of the NEW YORK STATE SOCIETY and managing editor of its monthly magazine has been elected chairman of the Accountancy Department of City College in New York City.



Dr. Saxe

The Mayor of Casper has designated all local members of WYOMING SOCIETY as a committee to study the city's accounting system and recommend improvements.

ILLINOIS SOCIETY offers its members and their employees a new form of group hospital, medical, and surgical insurance which requires no minimum percentage of enrollment among the employees. The policy is non-cancellable and benefits are identical for all policyholders regardless of other insurance carried.

MISSISSIPPI's membership committee reports 25 of the 30 candidates passing the CPA exam there last year have joined the Society. . . . MICHIGAN ASSOCIATION's board of directors invites elected Institute council members in that state to attend its meetings. Objective: Better integration of state and national activities. . . . NEW JERSEY SOCIETY has voted special assessments of

\$5 to \$10 on various classes of members to expand its public relations program.

The following state society presidents have recently been elected: ALABAMA: James Regan, Jr., Birmingham; ARIZONA: Karren E. Mackey, Phoenix; DELAWARE: Desmond A. Lyons, Wilmington (re-elected); FLORIDA: Gordon P. Blitch, Jacksonville; GEORGIA: Samuel M. Wellborn, Jr., Columbus; IDAHO: Ruland E. Williams, Idaho Falls; ILLINOIS: Donald R. Jennings, Chicago; INDIANA: Lawrence M. Henderson, Indianapolis; LOUISIANA: J. Earl Pedalohore, New Orleans; MASSACHUSETTS: Richard S. Chamberlain, Boston; MINNESOTA: Roman R. Sevenich, Minneapolis; MISSISSIPPI: William L. Norton, Jackson; NEW JERSEY: William D. Cranstoun, Maplewood; NORTH CAROLINA: S. Preston Douglas, Lumberton; RHODE ISLAND: George T. Helm, Woonsocket.

### INSTITUTE MEMBERS ON NACA PROGRAM

The Institute was well represented at the thirty-first Conference of the National Association of Cost Accountants in New York, June 18-22.

Speakers included Percival F. Brundage of New York, immediate past president; and I. Wayne Keller of Lancaster, Pa., Assistant Controller of Armstrong Cork Co.

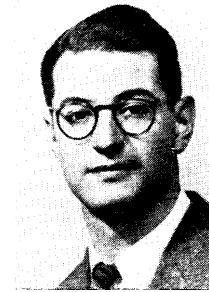
J. Brooks Heckert, associate professor of accounting at Ohio State University, received the Lybrand silver medal, presented annually by partners of Lybrand, Ross Bros. & Montgomery, for outstanding contributions to cost accounting literature. S. D. Flinn, works auditor of Carnegie-Illinois Steel Corp., received the gold medal.

Institute members elected as NACA vice presidents were Professor Heckert; William H. Franklin of Peoria, Ill., controller of Caterpillar Tractor Co.; George L. Nohe, O. F. Taylor & Co., New York; and Harold W. Scott, Haskins & Sells, Detroit. Philip J. Warner, president of Ronald Press, New York, and NACA treasurer since 1933, was reelected.

William B. McCloskey, controller of Davison Chemical Corp., Baltimore, is the new president.

## FOUR NEW CPAs WIN SELLS AWARDS

John R. Herzfeld, 33, of Oklahoma City, has been awarded the Elijah Watt Sells gold medal for the highest grades in the November, 1949, uniform CPA examination.



Mr. Herzfeld

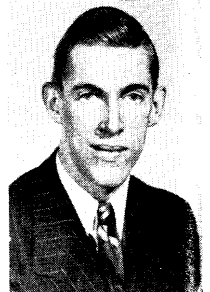
Mr. Herzfeld, a native of Guatemala, was educated in Germany, Switzerland, and at the University of Oklahoma. He is employed by Ephraim and Sureck. Other winners announced by the Institute board of examiners:

*Second Award* (silver medal): David F. Wentworth, Davenport, Ia. Age 25; born in Brighton, Ia.; attended Brighton High School and Iowa State University; employed by McGladrey, Hansen, Dunn & Co.

*Honorable Mention:* Lawrence J. Lipsky, Chicago. Age 23; born in Chicago; attended Northwestern University; employed by Katz, Wagner & Co.

*Honorable Mention:* William A. Manning, Providence R. I. Age 22; born in Manchester, New Hampshire; graduate of Bentley School; employed by Ernst & Ernst.

Winners competed in a field of 13,885 candidates for the certificate.



Mr. Wentworth

### DIARY—OFFICERS AND STAFF

PRESIDENT J. HAROLD STEWART addressed the annual meeting of Pennsylvania Institute, at Bedford Springs, June 26-28.

VICE PRESIDENT MAURICE AUSTIN and RESEARCH DIRECTOR CARMAN G. BLOUGH spoke at the 17th Annual Conference of New York State Society, at Saranac Inn, June 25-28.

VICE PRESIDENT MAURICE H. STANS addressed the First Annual Accounting Symposium at the University of Maryland, College Park, June 28.



Richard Dickerson of Chicago receives the \$250 Institute scholarship for outstanding accomplishment in the Junior Achievement program, at the annual dinner of the Illinois Society of CPAs, June 13. Edward B. Wilcox, past president of both the Institute and the state society, makes the presentation. Left to right: Thomas M. Pendergast, executive director of Junior Achievement in Chicago; Mr. Wilcox; Mr. Dickerson; Donald R. Jennings, president of the Illinois Society; Charles B. Tuttle, president of Junior Achievement in Chicago. Mr. Dickerson, majoring in accounting at Northwestern University, expects to become a CPA.

**News** [Continued from page 1]   
 cified conditions. Grandfather clause protects present practitioners. Neither new nor old bill applies to Tax Court, and there seems to be no reason why CPAs should object to either.

\* \* \*

*Any Tax Court developments?*

Yes, the American Bar Association's Section of Taxation has proposed a small-claims branch of the Court for disposition of claims involving less than \$1,500. Proposal is now under study by AIA federal taxation committee.

\* \* \*

*Did you hear Henry Morgan's boost?*

The radio comedian suggested that the U.S. budget could be balanced if a CPA were installed as President every three years. Having straightened things out, the accountant would then turn the office back to the politicians.

\* \* \*

*Did you receive the audit booklet?*

Full title: *Audits by Certified Public Accountants—Their Nature and Signif-*

*icance.* Prepared by the Institute research staff in consultation with Robert Morris Associates, it was mailed to credit executives of banks throughout the U.S.—and to AIA members with the last issue of the CPA. Extra copies are available from the Institute: 50 cents a copy, 10 per cent discount for 10 or more copies.

\* \* \*

*What else is new at the Institute?*

Two new trade-magazine articles stressing CPA's service to small business have been accepted by *Radio and Television Retailing* and *Progressive Grocer*. AIA has now reached 200,000 readers with this message.

\* \* \*

*What do you think of the new CPA?*

We have been overwhelmed by the response to this question—to be precise, one letter and two verbal comments. Are we to assume that you were stunned into silence? Or should we ask again:

What do you think of the new CPA?

**MEMBERSHIP UP  
2,000 IN YEAR**

Institute membership was 15,582 at July 1—a net gain of more than 2,000 in 12 months.

This growth is due largely to the committee on membership, under Chairman Coleburke Lyons of Detroit, and to helpful boosts from state societies. Typical of reminders in state society publications is the following:

"The officers and directors of the Michigan Association of CPAs feel that the American Institute of Accountants, on a national scale, is contributing daily to the welfare and advancement of the profession and requires and deserves the active support of every certificate holder. They also feel that the tangible returns to the individual from membership in the Institute, in professional advancement and in personal contacts, are really substantial.

"Every member of the Michigan Society should also be a member of the Institute."

**SENATE PASSES SECURITY BILL WITH CPA-PA AMENDMENTS**

The Social Security Bill (HR 6000), previously adopted by the House, passed the Senate on June 20. The Senate version incorporates the previously reported amendment adding self-employed CPAs to the list of professions excluded from coverage under old-age benefits.

Other accountants registered and licensed under any state law are also excluded from coverage by adoption of an amendment offered by Sen. Andrew F. Schoepel (R. Kan.).

This legislation now awaits action by a joint conference committee.

Exempt professional activity is defined in the Senate version as: "The performance of service by an individual in the exercise of his profession as a physician, lawyer, dentist, osteopath, veterinarian, chiropractor, naturopath, optometrist, Christian Science practitioner, architect, certified public accountant or other accountant registered or licensed as an accountant under state or municipal law, funeral director, or professional engineer; or the performance of such service by a partnership."

# Notes from a Regional Conference Diary

by J. HAROLD STEWART, President of the American Institute

**June 1:** The twenty-seventh annual conference of the Pacific Northwest (Washington and Oregon) began today at the Olympic Hotel in Seattle with more than 200 in attendance. I made the opening address, with John Carey following in the afternoon—a delightful arrangement from my point of view. Mr. Carey usually precedes me and steals my thunder. This time I rumbled ahead of him.

The day's concluding speech by Arthur M. Cannon, associate professor of accounting at the University of Washington, on Statement No. 23, provoked a lively discussion. Perhaps if we could have persuaded Professor Cannon to stump the country for the Statement, the profession might have accepted it more readily.

**June 2:** The conference's golf tournament was held this afternoon. There will be no mention here of my score; but I can report that Oregon won the inter-society contest. Despite this vigorous exercise, almost all contestants (including me) survived to enjoy a pleasant dinner-dance at the Inglewood Country Club. Many of the ladies honored the president by dancing with him, and others have promised to do so at the annual meeting.

**June 3:** Because of another engagement, Mr. Carey and I had to leave today before the closing sessions—for which our apologies to President Walter H. Crim of the host society and General Chairman Harry W. Verhoef.

En route to Chicago for an overnight stay, we discussed the growth of the regional conferences. These meetings, as envisioned by state society leaders and Institute officers years ago, have become increasingly important to all of us. They attract men who, because of time and distance, cannot attend the Institute's annual meetings; they provide the national officers and

staff with a chance to meet more CPAs; they can deal with specific problems peculiar to each area.

These facts were recognized a dozen years ago. Prior to that time, neighboring states in various parts of the country had occasionally conducted joint meetings; but the first Institute-sponsored regional conference occurred at Salt Lake City in 1938. This was such a resounding success that the idea was promoted in other sections.

Two years ago, a special committee headed by Marquis G. Eaton of San Antonio reviewed the current set-up and recommended that every state be brought into one of the existing or proposed regional groupings. Today, there are seven active conferences: the Northwest, Southern, Central, Mountain, and Middle Atlantic (the five meeting this month); the Great Lakes (which will hold its next meeting in 1951); and the New England (which met in 1946).

The increasing popularity and usefulness of all these conferences has more than justified the Institute's original decision to do its utmost to provide direct help in press and radio publicity and in other necessary tasks.

**June 4:** We met Research Director Carman Blough, who had come out directly from New York, at the airport in New Orleans, and were driven to the Edgewater Gulf Hotel by John A. Peyroux, Jr., a member of the Institute Council. There were showers during the day—the first time in the memory of living man that rain has fallen on a Southern States Accountants Conference. However, no spirits were dampened—at least by rain—at the welcoming reception, which was complete with seaweed. This was the first of several social affairs arranged for the more than 350 guests by Dozier Arnold of Birmingham, president of the con-

ference, and Entertainment Chairman William B. Roberts of Gulfport.

**June 5:** Mr. Carey got there first again. He spoke at the morning session, and I was the speaker at the luncheon. Noting the gratifying number of young CPAs in the audience, I talked mostly about the profession's responsibility to aid them in maintaining their independence in the hard first years. Vice President James Keller gave a practical demonstration of this concern (for the younger practitioner) in his afternoon speech on the management of a small accounting office. That night there was a delightful jamboree—again with much seaweed in evidence.

**June 6:** Although Mr. Blough and I had to catch an early plane for Kansas City, we were able to attend the breakfast meeting of the conference's executive committee. It selected Tulsa as the site of the 1951 meeting, and Roy F. Godfrey of that city as president of the conference. Brooks Geoghegan was naturally reelected secretary-treasurer, for what would a Southern Conference be without him?

**June 7-8:** The Central States CPAs had a really concentrated program, with technical sessions all day Wednesday, and Thursday morning. This time I came last, and found Carman Blough, Richard Claire, Robert Witschey, and Henry Cuneo had already covered most of what I had prepared to say. So I waved my written speech at the audience, just to prove I had one, and talked off the cuff.

In between times I made a recording for a local news commentator, and went in search of the famous Kansas City steak. The first night we did only moderately well, but on Wednesday we were conducted by Miller Bailey and Richard Wyler to the fine restaurant in the railroad station which pro-

[Continued on page 7]



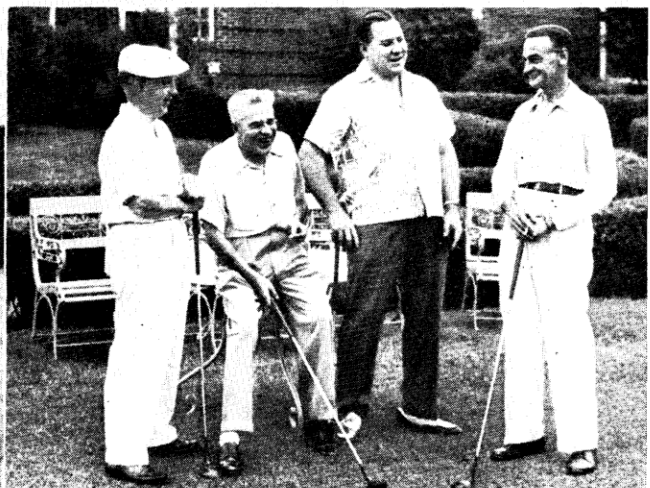
Welcome to Seattle: Conference Chairman Harry W. Verhoef (Left) greets President Stewart, on behalf of Washington and Oregon CPAs, at Pacific Northwest Accounting Conference.

Yankee Humor at Southern Conference: (L to R) Brooks Geoghegan, Macon, Ga conference secretary-treasurer; J. D. P. Arnold, Birmingham, president; Roy F. Godfrey, Tulsa; Mr. Stewart; Vice President James I. Keller, Jr.; John Carey; Carman Blough



Seafood Jamboree: No one's plate seemed big enough—and Mr. Stewart again found much "sea-weed" in evidence at the Southern States Conference outdoor party on the Mississippi Gulf Coast.

Speakers by the Dozen at Kansas City: (L to R) Conference Secretary Ray B. Lambright; Pro John G. Blocker, Kansas U.; Richard S. Claire, Chicago; Mr. Stewart; Conference Chairma Paul J. Adam; H. Roe Bartle; Pres. Ralph W. Pederson, Iowa Society; Mr. Blough; Dr. Leonar Axe, Kansas U.; Francis A. Wright; A. Henry Cuneo; Pres. Robert E. Witschey, W. Va. Society



On the Air in Denver: (L to R) O. M. Cordle; Paul L. Schmitz; Announcer Petrie of Station KOA; President Victor E. Troutfetter of Colorado Society; Dudley F. Taylor; Conference Chairman Charles A. Zarini broadcast at Mountain Conference. All are from Denver.

Even Losers Smile at Wilmington: (L to R) Earl F. Nesbitt, Conference Chairman Alfred H. Coe; Pres. Joseph G. Motyka, DC Institute; Pres. Desmond A. Lyons, Del. Society

## NEWS OF MEMBERS

*Elections and Appointments:* John H. Rawlings, Memphis, vice president, Memphis Association of Credit Men . . . Russell M. Riggins, Houston, member of Civilian Advisory Panel to Comptroller of the Army . . . Henry J. Sebastian, president, San Antonio Junior Chamber of Commerce.

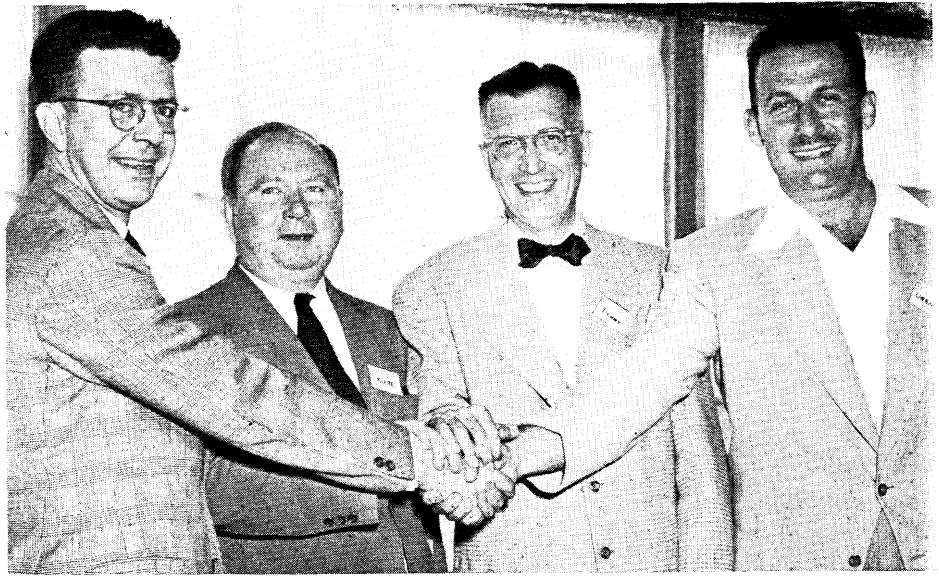
*Ladder:* Daniel Borth, Jr., appointed assistant comptroller and budget officer of Louisiana State University . . . Orville S. Carpenter, vice president and comptroller, Texas Eastern Transmission Corporation, Houston . . . Foster Parker, treasurer, Houston Oil Company . . . Charles A. Pertain, Green Bay, Wis., secretary, Northern Paper Mills . . . Prof. Sidney G. Winter, Dean, College of Commerce, State University of Iowa . . . Cecil R. Womble, Chattanooga, vice president and controller, Volunteer State Life Insurance Co.



Dean Winter

*Speakers:* T. Coleman Andrews, Richmond, American Society of Women Accountants, on Hoover Commission Pro-

## FOUR CPA LEADERS TEAM UP IN THE EMPIRE STATE



Area Chapter Presidents at New York Society's 17th Annual Conference, Saranac Inn, N. Y., late in June. (L. to R.) Miles E. McNeal, Syracuse; C. Melville Kless, Rochester; Edward C. Denny, Buffalo; Sidney Urbach, Albany.

gram . . . Erik C. Boye, St. Louis, Small Business Forum of American Society of Chartered Life Underwriters, Corporate Fiduciaries Association, Life Insurance and Trust Council . . . Percival F. Brundage, New York City, Buffalo Chamber of Commerce . . . Prof. Robert L. Dixon, University of Michigan, Business Leaders Conference in three Upper Peninsula cities . . .

Wm. M. Layman, Chicago, American Press Institute . . . Mrs. Clara C. Lelievre, Birmingham, Associated Retail Credit Managers . . . Irving L. Simon, Albany, New York, Wallpaper Wholesalers Association . . . Frank L. Wilcox, Waco, joint program of Texas Hospital Association, Texas Association of Hospital Accountants, Houston Area Hospital Council.

## APPLICANTS RECOMMENDED FOR ADMISSION

The committee on admissions has given consideration to applicants for membership in the American Institute of Accountants and recommends the admission of 45 applicants who have been accorded credit for having passed examinations acceptable to the committee on admission and 205 applicants who have passed the uniform examination for the CPA certificate in participating states.

### Alabama

Montgomery: Robert E. Troy, Jr.  
Tuscumbia: Frank E. Donilon, Jr.

### Arizona

Casa Grande: Maurice B. Tribby  
Douglas: Robert W. Sill  
Tucson: Harry Monroe Meador

### Arkansas

Little Rock: Alexander M. Keith, Jr.

### California

Beverly Hills: Ben Barak  
Colma: Frederick L. Hilger  
Fresno: Charles H. Franklin, Jr.; T. A. MacMichael  
Los Angeles: Nathan Fligsten; C. B. Hardinghaus; George M. Lock, Wilford R. Penny; Richard D. Ringe; David P. Roberts; Rendel R. Terrell; Floyd E. Woods, Jr.  
Oakland: Clifford L. Gant  
Sacramento: William W. Clark  
San Francisco: Richard K. Brown; Henry Maurice Derin; Marion Toft Hvidt; James E. Lane, Jr.; Charles M. Larimer; Stuart W. Lundberg; Anthony S. Nocita; John G. Stewart

### Colorado

Denver: Benjamin L. Fried; Malcolm H. Gilchrist; Melvin Allen Redeker; Seymour Simmons, Jr.  
Fort Morgan: Archie T. Wilson

### Connecticut

Bridgeport: Edward Sarka  
Stamford: W. J. Kelemen  
Waterbury: Martin Francis Hayden; Robert E. Healey

### Delaware

Wilmington: Minor E. Munsey, Jr.

### District of Columbia

Washington: John C. Little; Delia E. McDermott; C. Stanley Rauch; Edward A. White; Cecil Rhodes Yates

### Florida

Jacksonville: J. F. Rivers, II  
Miami: Issie B. Mann; Paul S. Smith  
Tallahassee: Wesley W. Catledge, Jr.

### Georgia

Atlanta: James Morgan Anderson, Jr.; Charles W. Jamison; Ernest Gaines Kimbrough, Jr.; A. Waldo Sowell  
Rome: Ernest J. Rudert

### Illinois

Chicago: Elmer Anton Anderson; Paul G. Asgeirson; Gerald A. Bryan; W. D. Cahill; Stafford W. Davis; Clyde A. Kinzey; John B. Knight; Melvin H. Lieberman; T. W. McKibben; Everett H. Moore; Richard Albert Moore; Frank Peter Nykiel; Seymour Wasserman; Russell William Wende

### Indiana

Indianapolis: Richard E. Bookout  
South Bend: Fred P. Crowe

### Iowa

Marshalltown: Arthur R. Keller, Jr.

### Kansas

Kansas City: George H. Frazier  
Wichita: Ernest A. Peterson; Grant R. Webster

### Kentucky

Lexington: William Owen Laslie; R. B. Potter; Ernest Ellis Sutton

### Louisiana

New Orleans: Wm. O. Johnson; L. E. Lunceford; S. Paul Revere; James C. Roberts

### Maine

Portland: Harold K. Melvin

### Maryland

Baltimore: Brooke E. Furr; Morris J. Katz; Albert E. Lankford

Cumberland: John W. Rollins, Jr.  
Silver Spring: Carl Fredricks

### Massachusetts

Andover: Arthur Orrin Taylor  
Boston: Martin R. Altmann; Daniel C. Chisholm; Clarence Wilson Place, Jr.; George E. Stephenson, Jr.  
Falmouth: Harold Edwin MacFadden

### Michigan

Detroit: Edwin C. Delaney; David Desow; A. L. Mack; Angus R. Nickles; George G. Valentine; William Zack  
Grand Rapids: Robert D. Evans; Robert William Schellenberg  
Kalamazoo: Norman M. Skytta  
Muskegon: William C. Rescorla  
St. Joseph: John M. Kovtan

### Minnesota

Duluth: Leslie A. Carlson  
Minneapolis: E. Palmer Tang

### Mississippi

Jackson: Harold D. Boleware

### Missouri

Independence: Lloyd L. Bland  
Kansas City: James T. Kehoe, Jr.; Robert Milton Keller  
St. Louis: Edward J. Brass; James W. Checkfield; Warren H. Liefer; Tom E. Sudholt

### Nebraska

Omaha: William Francis Boyle; Patrick F. O'Donnell

# Regional Conference Diary

[Continued from page 4]

duced a steak that fully lived up to the city's reputation. I spent the latter part of one evening with members of the Missouri State Board of Accountancy; also had an opportunity to play golf and have some interesting conversation with Paul Adam, president of the Missouri Society and conference chairman. Left for the Mountain States Conference a bit weary, convinced that Everything's Up to Date in Kansas City.

On arrival at mile-high Denver, I was promptly—as well as permanently—relieved of one of my suitcases.

That evening, representatives of the seven participating state societies held a meeting, under the chairmanship of President Victor E. Troutfetter of Colorado, to create a permanent organization to act as an advisory group to future conferences. The organization will consist of 14 members—presidents of the state societies and a three-year appointee from each state.

**June 10:** My luncheon speech was broadcast over a local radio station, which somewhat cramped my style. But not for too long. As soon as we went

off the air, I was able to talk frankly.

I had missed an earlier party at the famous Windsor Hotel on Thursday night, arranged by General Chairman Charles A. Zarini and his Colorado colleagues. It was apparently worthy of the days of Senator Tabor—and I have this on the authority of Carman Blough and Institute Vice President Maurice Austin. But I did share in the final dinner-dance at the Cosmopolitan Hotel, and it lived up to the promise of the program note: “an appropriate ending to our conference.”

**June 19-21:** The Middle Atlantic States program was a bit more relaxed, with every afternoon free for recreation—if you can call it recreation to learn about horses the hard way at Delaware Park. Vice President Maurice Stans made two dollars because the horse he had picked was scratched, and none other was worthy of the risk. He also made the front page of the Wilmington paper with his speech on “Has Accounting a Destiny?” I spoke at the Tuesday luncheon, and cut it fairly short because I was sure everyone was more interested in golf, the

racers, or a trip to the beautiful Longwood Gardens, one of the show places of the world. More profitable than Delaware Park, too!

Along with some speakers who had appeared on the earlier conference programs, we had good papers by James L. Dohr on “Accounting Terminology,” Henry Seidemann on the Hoover Commission report, and Thomas Green on “Tax Revision Needed Now.” Alfred Coe, chairman, and Desmond Lyons, president of the Delaware Society, saw to it that Eastern hospitality matched the rest of the country. I had the privilege of attending the dinner-dance at the new Du Pont Country Club—in fact, assisted a magician whose principal aide was John Stoy.

**Postscript:** Glancing back over this informal report, I am afraid that I have overemphasized the social element in these meetings. It is doubtless true that one remembers best the reunions with old associates and the making of new friends in the congenial atmosphere of a conference party. That aspect is more important than might appear at first. Yet it is also true that the technical sessions are equally important. The speakers on all of these programs performed a valuable service to the profession.

**Nevada**  
Reno: Douglas R. Hagerman

**New Hampshire**  
Manchester: Louis S. Gilman

**New Jersey**  
Cliffside Park: William Hoinash  
Hackensack: Gene R. Silber  
Newark: Harry Kalb; Solomon Robert Lipton; James J. Ryan  
Trenton: Jerome L. Levy

**New York**  
Albany: Mary M. Mathias  
Buffalo: H. Frank Hicks; Edward Carey Shea  
Elmhurst: Charles H. Drewes  
Garden City: Charles L. Savage  
New York: Max Berler; Isadore Berman; Douglas Richard Beuler; David Power Blake; Charles Buckner; Robert K. Buettner; James F. Burns; Harold J. Busch; Herbert A. Busch; Eugene J. Callahan, Jr.; Thomas J. Cox; H. L. Davis; Joseph D. Ellison; Benjamin H. Feldman; Mortimer M. Fried; Ben K. Gallaspy; Irving A. Garson; Hyman Gorin; Morris Gottlieb; George Jasberg; Addison L. Jennings; Israel Kalish; Daniel H. Kass; Eric G. Larson; Milton Levine; Adolph B. Lewson; John J. Matteo; J. M. Mayer; William Henry McMaster; Harold H. Newman; Francis X. O'Shea; Edward

H. Robertson; Robert G. Rothwell; George H. Ryniker; Paul Saltzer; Edward Schmidt; John F. Schmonsees; Carl J. Simon; Ernest R. Stevens; Ray Sunderland, Jr.; Ulysses S. Tasch; Robert L. Tripp; Alfred W. Tucker; Charles B. Weiss  
Rye: Alexander W. Kennedy  
White Plains: Thomas F. Egan

**North Carolina**  
Burlington: James P. Hogan  
Charlotte: Arthur C. Brown; A. J. Selzer; T. P. Willard  
Greensboro: Albert Rose; Harold W. Smith  
Raleigh: Dwight E. Moody  
Salisbury: George Curtis Smith  
Tabor City: Frank C. Norris, Jr.

**North Dakota**  
Grand Forks: Loyd E. Orser; Dale W. Youngern

**Ohio**  
Bedford: William J. Bender  
Cincinnati: Horace W. Dassell  
Cleveland: George H. Conner; Allan A. Cook; John F. Drake; Glenn D. Heck; Donald L. Heine; Hubert C. Overmyer; George Sanders; John G. Schaffner; Joseph E. Seringer; Wesley E. Watkins; Ernest J. Wentland  
Columbus: Richard Theodore Boehm; A. Arthur Eilers; Starling Williamson

**Oklahoma**  
Tulsa: Leo McGeehon

**Oregon**  
Beaverton: Robert Briggs  
Portland: Henry S. Blauer; J. Clark Bullock; William Bruce Jacobs; H. A. McAnelly; Grant L. Veile

**Pennsylvania**  
Harrisburg: Jos. W. Kettering  
Philadelphia: William L. Azpell, Jr.; Sidney J. Gold; Mitchel M. Malaski; Alan M. Moskowitz; Max Russman; Nelson Steingard  
Pittsburgh: Arthur R. Shirey, Jr.; Harry P. Tabor

**Rhode Island**  
Providence: Richard T. Comery; Robert Reid Kelly; Frederick A. Randall

**South Carolina**  
Aiken: Russell P. Crohen  
Charleston: Daniel L. McKnight, Jr.

**Tennessee**  
Memphis: L. S. Minor; Albert Theodore Owens, Sr.  
Nashville: J. G. De Lacey; J. P. Foster; Erwin C. Hardison, Jr.

**Texas**  
Dallas: Felix Einsohn; George A. Works, Jr.

Fort Worth: Jerry Norris  
Harlingen: John A. Morgan  
Houston: Paul Z. Brochstein; James B. Clark; Robert A. Hevelka; Jack B. Owens; Isaac Q. Rayburn; Ernest L. Smith, Jr.  
Lamesa: Robert S. Wilton  
Midland: Eugene Lamar Kopecky  
Port Arthur: Harold P. Theilig  
San Antonio: Lawrence J. Flume, Jr.

**Utah**  
Ogden: William R. Stockdale  
Salt Lake City: Lyle Desmond Dickson

**Virginia**  
Charlottesville: Clifford L. Beakes  
Richmond: H. Addison Dalton; Harry Murray

**Washington**  
Seattle: Irwin P. Lawson; Howard C. McMahon

**Wisconsin**  
Madison: Anders Stortroen  
Milwaukee: Chester O. Bell; Robert Neill Mahoney

These applicants do not become members until voted upon by Council and declared elected by the president. If protest is to be made against any applicant on the list it should reach the office of the Institute on or before July 31, 1950.



## COUNCIL MEMBER DIES



**Parry Barnes** of Kansas City, Mo., council member-at-large and member of the committee on professional ethics, died June 11 at the age of 57.

An Institute member since 1924, Mr. Barnes was a vice president in 1945-46 and had been a member of the executive and other committees.

He was a director of the American Society of Certified Public Accountants for a number of years immediately preceding its merger with the Institute; had been a director of NACA; president of the Missouri Society of CPAs, and was a member of Kansas and New York State societies. In addition, he was a member of Kansas City Chamber of Commerce and Associated Industries of Missouri.

Born in Kansas City, Kan., he obtained most of his education in local schools and worked as an office boy for packing houses and a bookkeeper for Kansas City branches of pioneer automobile manufacturers.

At his death he was a partner of Arthur Young & Co., with which his former firm of Lunsford, Barnes & Co., had recently been merged.

A resolution of regret adopted by the Institute executive committee reads in part:

"Mr. Barnes' contributions to the development of the accounting profession in his own community, and nationally, earned the gratitude and respect of his fellow practitioners. Throughout his long and successful professional career, he had always devoted a large share of his time and energy to the welfare of the profession of which he was a member. His loyalty and devotion will long be remembered."

**Charles A. Binder** of Chicago, in public practice since 1921, died June 10 at the age of 57 after a heart attack. A native of England, Mr. Binder studied at Northwestern and Loyola Universities and at several accounting schools. He received his certificate from Indiana in 1942, qualified by written examination for practice before the Treasury Department, and was a member of the Illinois Society.

**Sebastian Cabot**, a lifelong resident of Elizabeth, N. J., and an Institute member since 1926, died June 22 at the age of 81 after a long illness. For about a quarter of a century beginning in 1918, he conducted his own practice in New York City. He was a member of the New Jersey Society and a charter member of NACA.

**Joseph F. Furst**, of New York City, died May 6 at the age of 49. A native of Austria, Mr. Furst studied there and at New York University. Entering the U. S. in 1939, he was employed by public accounting firms in New Jersey and New York where he established his own practice in 1944. Mr. Furst became a CPA of New York in 1947 and was a member of the New Jersey Society.

**Nathan Gelber** of New York City (1947 member), partner in Joseph Eisenberg & Co., CPAs, died March 29 on his 36th birthday. A native of Brooklyn, Mr. Gelber was a graduate of the College of the City of New York. He had been employed as an accountant by the New York City Board of Transportation and other municipal agencies.

**Rhae M. Swisher** of Chicago, head of the public accounting firm of Rhae M. Swisher & Company since 1921, died June 8 on his 53rd birthday. Mr. Swisher, a native of Dayton, O., was a certified public accountant of Indiana and Illinois, and a member of CPA societies of both states. He was a former director of the Chicago Association of Credit Men and a member of the Chicago Association of Commerce.

The  
**CPA**

The Certified Public Accountant  
270 Madison Ave., New York 16, N. Y.

**INSTITUTE OFFICERS**

PRESIDENT: J. Harold Stewart

VICE PRESIDENTS: Maurice Austin, George O. Carlson, James I. Keller, Jr., Maurice H. Stans, TREASURER: Charles H. Towns, EXECUTIVE DIRECTOR: John L. Carey

## FIRM ANNOUNCEMENTS

**ARTHUR ANDERSEN & Co.** has moved its New York office to 67 Broad Street, New York 4.

**C. J. CARLSON & SON**, Masonic Temple Building, Olean, N. Y., has changed its name to Carlson, Sheeser & Gallmeier.

**RALPH COLE** has opened an office in the Allison Building, 6230 Third St., N. W., Washington 11, D. C.

**J. N. COLEMAN** and **J. K. L. MERCURIO**, formerly with Haskins & Sells, have formed the firm of Coleman & Mercurio with offices at 34 North Brentwood, Clayton 5, Mo.

**CRAFTS, CARR & Co.**, 424 Madison Ave., New York 17, announces the admission to partnership of William R. Donaldson, and a change in the firm name to Crafts, Carr & Donaldson.

**DANIEL, DANIEL AND ENNIS**, Palace Building, Tulsa, has admitted Gordon L. Wright, Jr., to partnership.

**COLLINS & BURI**, 3106 Guardian Building, Detroit 26, has admitted Carl McConkey to partnership.

**FLETCHER, VAN TIEFLIN, LYONS & TEETZEL** with offices in Book Tower, Detroit, announces the retirement of Ernest H. Fletcher and William H. Van Tiffin, limited partners. Practice will be continued by Coleburke Lyons and Albert P. Teetzel under the firm name of Lyons and Teetzel.

**FRAZER AND TORBET** announces the merger of the practice of **RALPH E. SPERRY** with its Los Angeles Office, at 520 West 7th St., under the direction of Russell T. Swensseid, resident partner, and Ralph E. Sperry, resident manager.

**HARRY R. HOWELL** and **MICHAEL C. PATERNO** announce that Norman A. Clarke has become a member of the firm of Howell and Paterno, 401-7 Kanawha Valley Building, Charleston, W. Va.

**MASSIE AND MILLER**, 915 Olive St., St. Louis 1, has changed its firm name to Massie, Miller and Fudemberg.

**PATTERSON, TEELE AND DENNIS**, of New York and Boston, recently observed its 50th anniversary.

**WALTER J. RAWDEN** has opened an office in the Wallingford Bank & Trust Company Building, 100 Center Street, Wallingford, Conn.

**SCOVELL, WELLINGTON & COMPANY** has opened an office in the Grand Rapids National Bank Building, Grand Rapids 2, Mich., under the direction of Albert C. Dykema, resident manager.

# The CPA

August 1950

MEMBERSHIP BULLETIN OF THE AMERICAN INSTITUTE OF ACCOUNTANTS

## Sign Now for Boston Meeting

Because of expected record-breaking attendance, an advance registration plan has been adopted for the sixty-third annual meeting of the Institute at the Hotel Statler in Boston, October 2 to 5.

Details of the plan, along with the complete program and a registration card, will be found in the circular accompanying this issue of THE CPA. Hotel reservation forms, previously mailed to all members, should be returned at once.

There will be two events on Sunday (October 1) for early arrivals. Tickets have been obtained for the American League baseball game between the New York Yankees and Boston Red Sox. Requests for seats must be received before September 1. Later on Sunday afternoon a reception will be held at the Statler.

Technical sessions will begin on Monday and continue through

Wednesday. An outstanding speaker for the opening luncheon that day will be announced soon. President James Bryant Conant of Harvard University, who had been scheduled to address the luncheon, has been obliged to withdraw because of illness.

A session on "Accounting Problems in Mobilization" has just been added to the program. No other technical session will be held simultaneously. This change does not eliminate any major topic previously scheduled.

Thursday will be free for recreation and sightseeing, except for an executive session of the new council. The day's program includes a tour of Salem, Marblehead, and other points on the Massachusetts North Shore, and a New England clambake.

A ladies' program, including sightseeing trips and luncheons, has been planned by a committee of which Mrs. Harold Mock is chairman.

### NEWS OF THE MONTH

New York is as hot as . . .  
Or even hotter.

Anyone would be discouraged from writing a new résumé on such a steaming day if the news itself—news of the Institute, at least—were not so cheering.

\* \* \*

Take a look, for example, at sales reports on the new pamphlet, *Audits by Certified Public Accountants—Their Nature and Significance*. More than 12,000 copies have been sold since its publication last month. This is in addition to the 30,000 copies distributed to members and to bank officials.

Incidentally, a new list of AIA publications with brief descriptions, prices, and a detachable order form has just been issued. All earlier lists should be discarded.

\* \* \*

Then *The Journal of Accountancy* has won another award: this one a certificate for "best graphic presentation" in the annual competition conducted by *Industrial Marketing*, a national magazine devoted to advertising and selling.

\* \* \*

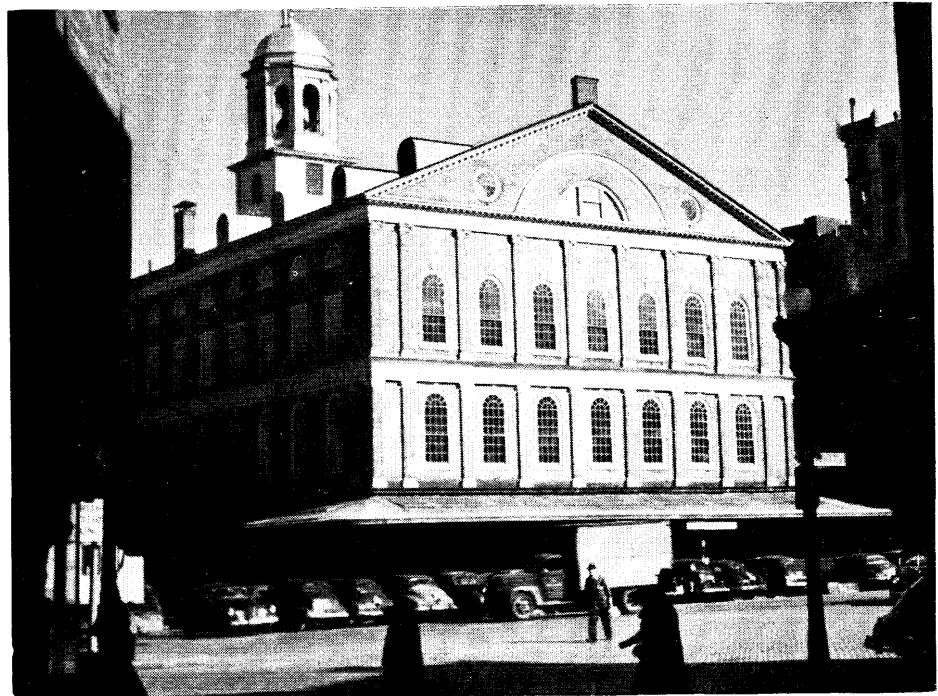
With shameless immodesty, we also announce that the mailman has brought several flattering letters on the new format of THE CPA.

For these literary posies, our thanks. Score to date: 15 bouquets, 1 brickbat.

\* \* \*

Some idea of the Institute's astounding growth in the last quarter of a cen-

[Continued on page 3]



Among historic buildings which members attending the annual meeting will want to visit is Boston's Fanueil Hall, built in 1762, where Sam Adams and other Revolutionary patriots met to plan their successful campaign for freedom.

# Five Societies Boost Dues

Increases in annual dues have recently been announced by five state societies. **CONNECTICUT:** fellow and associate members, from \$10 to \$15. **GEORGIA:** practicing fellow members, \$12.50 to \$20. **MASSACHUSETTS:** fellow members with home or office within 25 miles of Boston and holding CPA certificates more than three years, \$15 to \$20; other fellow members holding certificates more than three years, \$10 to \$15. **RHODE ISLAND:** fellow and associate members, \$10 to \$15. **WISCONSIN:** fellow members holding certificates more than five years, \$10 to \$20; other fellow members of chapters, \$10 to \$15. **MISSOURI** has an increase up for ratification.

The First Annual Lawyers and CPAs Tax Institute, co-sponsored by the **MISSISSIPPI SOCIETY**, will be held at Mississippi Southern College in Hattiesburg, Aug. 18-19. Other sponsors: Junior Bar Section of the Mississippi State Bar Association, Forrest County Bar Association, Hattiesburg Association of CPAs. National leaders of both professions will speak, including H. Cecil Kilpatrick of Washington, D. C., chairman of the American Bar Association's taxation section, and T. Dwight Williams, Oklahoma City, AIA past president and a member of the National Conference of Lawyers and CPAs.

**LOUISIANA** bill H. 31 increasing charges for CPA certificates and registration, and annual renewal fees, was signed by the Governor on July 8. It was endorsed by the state society.

**MASSACHUSETTS SOCIETY** has proposed a uniform procedure for auditors of life insurance departments in mutual savings banks. It was developed in cooperation with the Office of the State Bank Commissioner and the Mutual Savings Bank Association.

At the suggestion of Public Relations Chairman A. H. Puder, **NEW JERSEY SOCIETY** has formed ten regional public relations subcommittees to promote more activities outside the Newark area.

**PENNSYLVANIA INSTITUTE** at its recent



Connecticut Society honors veteran CPAs at its annual meeting: (L to R) Edward I. Peize, New Haven, charter member and holder of state certificate No. 27; Frederick J. Fischer, New Haven, secretary; Mrs. Nina P. Hudson Arnold, of Haddam, first woman CPA in state; William R. Reader, Hartford, president.

annual meeting recommended establishment of a central accounting office for the state, directed by a qualified officer, to coordinate accounting control and to furnish financial information for state executives, legislators, and citizens. This proposal followed a survey of the state government by representatives of the CPA society.

**ROCHESTER CHAPTER** of **NEW YORK STATE SOCIETY**, through its public relations committee, recently founded a county Interprofessional Council of CPAs, lawyers, physicians, dentists, engineers, architects, and others. One objective is to promote legislation of mutual benefit to members. The Council is headed by Thomas L. McLeod, CPA.

**COLORADO SOCIETY** offers new awards to students majoring in accounting and CPA candidates: A scroll for the graduate at each of four universities with the highest average grade for his entire course; and a silver medal for the CPA candidate passing all subjects at the first sitting with the highest grade.

A series of tax broadcasts sponsored

by **PENNSYLVANIA'S PITTSBURGH CHAPTER** produced requests for information from Indiana, Illinois, Kansas, northern Michigan, and Quebec.

**CALIFORNIA SOCIETY** has chartered its ninth chapter—for CPAs in the San Bernardino-Pomona-Riverside-Ontario area . . . **MICHIGAN** and **MONTANA** have distributed copies of the Institute booklet, *A Career in Public Accounting*, to high schools throughout the state . . . **NEW YORK STATE CPAs** watched their board of directors in action at an open meeting held during the Society's recent Annual Conference.

New state society presidents: **CONNECTICUT:** William R. Reader, Hartford; **MAINE:** Orey A. Tolman, Portland; **MARYLAND:** Herbert L. Langrall, Baltimore; **MICHIGAN:** Lloyd G. Juengel, Detroit; **MISSOURI:** Arnold J. Hoffman, St. Louis; **NEBRASKA:** Philip G. Johnson, Lincoln; **OREGON:** William H. Holm, Portland; **PENNSYLVANIA:** William R. Winn, Williamsport; **TEXAS:** Ben M. Davis, Abilene; **WISCONSIN:** Edward C. Jordan, Milwaukee.

## Practitioners Bill Acceptable to AIA

President J. Harold Stewart has written to all Representatives that the Institute believes the Administrative Practitioners Bill (HR 8201) completely protects the rights of non-lawyer practitioners before federal agencies.

Some members of the House had raised questions on that point when an earlier version (HR 4446) was brought to the floor. Mr. Stewart pointed out in his letter that the bill as first introduced had been modified to meet AIA objections.

However, the bill was blocked by an objection when it came up in the House on July 27.

### Fiscal Reorganization

A bill to revise fiscal procedure in the Executive Branch (HR 9038) passed the House on July 26. Early action is expected in the Senate.

This legislation is generally consistent with the broad objectives proposed to the Hoover Commission by the Institute "task force", but does not incorporate its recommendation for a central accounting office.

### Social Security

House and Senate conferees completed their report on the Social Security Bill (HR 6000) on July 25. This legislation awaits final action by both House and Senate.

Excluded from coverage under the bill in its final form are self-employed certified, registered, licensed or full-time practicing accountants, physicians, lawyers, dentists, osteopaths, veterinarians, chiropractors, optometrists, Christian science practitioners, architects, naturopaths, funeral directors, and professional engineers.

### Relief for LIFO Taxpayers

The House Ways and Means Committee, on July 27, recommended passage of HR 3278 amending part of the Internal Revenue Code applicable to taxpayers who account for inventories on the LIFO basis, and who were compelled to liquidate all or part of their inventory during World War II.

This bill changes the time and method of applying a recomputation provision intended to afford tax relief.

## Staff "Open House" At Annual Meeting

The Institute will open a temporary office at the Hotel Statler in Boston on September 30, the Saturday before the annual meeting, for members who wish to talk with department heads about their own problems or Institute policies.

The following will be there: John L. Carey; H. T. Winton, administrative secretary; Carman G. Blough, research director; Charles E. Noyes, public relations director; William S. Papworth, managing editor of *The Journal*; Robert L. Kane, Jr., educational director. Members are urged, if possible, to make appointments in advance.

## NEWS OF THE MONTH

[Continued from page 1]

tury can be gained from a statistical table recently compiled by the staff. Its annual income and expenditures, as well as its membership, have expanded by about 700 per cent. Annual income from dues increased from \$45,000 to \$352,000; income from *The Journal* from \$28,000 to \$164,000; cost of books and magazines purchased for the library from \$1,831 to \$5,500; total expenditures from \$112,728 to \$867,000. Membership, meanwhile, jumped from 2,061 to 15,500.

\* \* \*

*Audit procedure for a steel fabricating company and for a small restaurant are described in a new pamphlet, Case Studies in Auditing Procedure No. 8, mailed to members late last month.*

\* \* \*

A complete list of accounting firms and practitioners, from the Institute's current membership directory, has been sent to the members of the National Association of Securities Dealers and to all state highway departments.

\* \* \*

New York is so brutally hot that we are now retiring in orderly fashion to a better (i.e., air-conditioned) position—but will return, as someone once said.

## Dohr Named to Edit Office Handbook

James L. Dohr, professor of accounting at Columbia University School of Business, has been appointed editor of the handbook on public accounting practice, to be compiled by the Institute primarily for smaller firms and individual practitioners.



Mr. Dohr

A CPA and lawyer, Mr. Dohr joined the Institute in 1919. He has been its director of research, chairman of the committee on publication, a member of the committee on accounting terminology, and is now a member of the committee on accounting procedure.

He has been president of the American Association of University Instructors in Accounting (now the American Accounting Association); auditor of the Wisconsin Tax Commission; examiner of accounts for the U. S. Food Administration Grain Corporation; and an auditor in the Internal Revenue Bureau. He is the author of several books and magazine articles on accounting and business subjects.

As editor, Mr. Dohr will work with the special Institute committee for the handbook, the research staff, and authors of individual chapters.

## Southern Bank Urges Better Accounting

The Citizens and Southern National Bank of Atlanta has sent a circular letter to some of its customers urging them to "talk over their accounting procedures with their manufacturers, distributors, accountants, or some competent agency."

It added that a bank can give a retailer more constructive credit if he operates under a sound accounting system.

At the same time, a bank executive told President Wellborn of the Georgia Society: "The work of the CPAs means much to the financial health of any community. . . . We are anxious to assist in the good work you and members of your association are doing."



# 24,945 CPA Examination Papers Are Graded

iciency acceptable to the whole profession, it profoundly influenced accounting education.

Since state laws govern issuance of the certificate, the Institute's service must be satisfac-

able task requiring careful checking and scheduling. During the entire process of production and mailing, moreover, the security of the examination had to be safeguarded.

*May 17-19—Some 12,000 candidates sit for examination throughout the country.*

The state boards administered the examination. They, too, had their problems—problems of finding space where the test could be held, proctoring the candidates, establishing necessary control records. On completion of the examination, many of the boards shipped the papers back to New York.

*May 22—Papers of more than half the candidates begin to arrive at the Institute's office for grading.*

In connection with the preparation of the examination, appropriate solutions or answers were approved by the Board of Examiners. These solutions were duplicated and, together with lists of references covering the material, were distributed to the seventy-three CPAs employed for the grading work. The graders were engaged for a particular subject of the examination and, within that subject, no one graded more than a single problem or more than two questions on any paper. The

grading of each subject was directed by a section head, assisted by two or more experienced "reviewers".

When enough papers were available, the graders started work. During the first few days, however, all of the men working on a single problem gave tentative grades to a sample batch of papers. The section head and reviewers then conferred with that group of graders to reconcile differences in the tentative grades until all of the men were appraising a paper in the same manner. During the starting period, various alternate solutions were explored and "patterns" of common errors were worked out for easy subsequent detection. At this period, too, tentative grade sheets were reviewed as to suitability and revised sheets were prepared.

## Grading Begins

When it appeared that all the graders were thoroughly familiar with the problem assigned to them and that a reasonable basis for grading had been established, the regular grading was started.

The grades given thereafter by each man were under continuous review in two ways. The section head and reviewers inspected them constantly and worked out differences which appeared

in the appraisal given to material by various people working on the same problem. Each grader also prepared a daily schedule showing the distribution by points of the grades he had given. Comparison of these schedules revealed any change that might inadvertently have taken place in a grader's work.

As soon as a satisfactory basis for grading had been established, the members of the board met, and each of the subcommittees reviewed the grading methods in the subject assigned to it.

## A Thousand Papers in Process

Once work began, as many as a thousand papers in a subject were in process at one time. As soon as control sheets revealed that a group of papers (35 papers in each group) was completed, the scores were totaled and the total recorded on the grade sheet. At this point, one of the reviewers examined all of the papers within the possible passing range. Early in the grading, papers above 60 were reviewed; later the review point was raised to 65 after it had been ascertained that material errors were not occurring in the work of any graders. The basic grading on the May examination was completed for various subjects between June 29

and July 6. The reviewing, however, was not finished until July 17.

If a candidate had passed all except one of the subjects taken and his grade was 60 or over in the subject which he lacked, or if he was near passing in all subjects, his papers were designated for regrading by the section head or a reviewer.

The grades were then checked against the working copy of the grade list and three typed copies were prepared for the state board.

While this description suggests that the procedures were almost automatic, many "hitches" interrupted the smooth flow of work. A surprising number of candidates forgot the identification number assigned to them at the first session of the exam. Sometimes they used in its place a number from a previous exam; sometimes they transposed digits; and sometimes they just "took a number from 1 to 10." Occasionally, too, they had their papers in a different order than the questions, and answered more optional questions than could be credited to them.

But despite these obstacles, the work progressed with record speed so that, two months after work started on the grading, Educational Director Kane could report:

*July 20—The job is done: 24,945 individual papers have been graded and returned to the state boards of accountancy.*

October 1—Work begins on preparing the spring uniform CPA exam.

May 17-19—Some 12,000 candidates sit for examination throughout the country.

May 22—Papers of more than half the candidates begin to arrive at the Institute's office for grading.

July 20—The job is done: 24,945 individual papers have been graded and returned to state boards of accountancy.

That, in a few lines, is a report on one of the Institute's major activities: the preparation and grading of CPA examinations. But more than four sentences will be needed to tell, with any adequacy, the whole impressive story.

*October 1—Work begins on preparing the spring uniform CPA exam.*

For over three decades, the Institute has been providing such examinations to state boards of accountancy. The service, first offered in the spring of 1917, was accepted at once by three states—New Hampshire, Oregon, and Kansas. Within a year, thirteen other states were utilizing the examination in the subjects covered by it; today, thirty-two years later, it is used by 47 states and the District of Columbia.

Its convenience was not the sole reason for its adoption by the boards. They, too, recognized that it promoted a reasonably uniform standard for CPAs throughout the nation. That, in turn, facilitated reciprocity among the states and strengthened the profession in the eyes of national and interstate agencies, banks, stock exchanges, credit organizations, and the general public. Moreover, by providing a gauge of pro-

tory to all of the state boards. They retain final responsibility for both the examination and its grading—and, of course, have no continuing obligation to accept either from the Institute. Thus, in discharging their duties, they review each of the examinations and use the grades furnished by the Institute merely as suggested ratings.

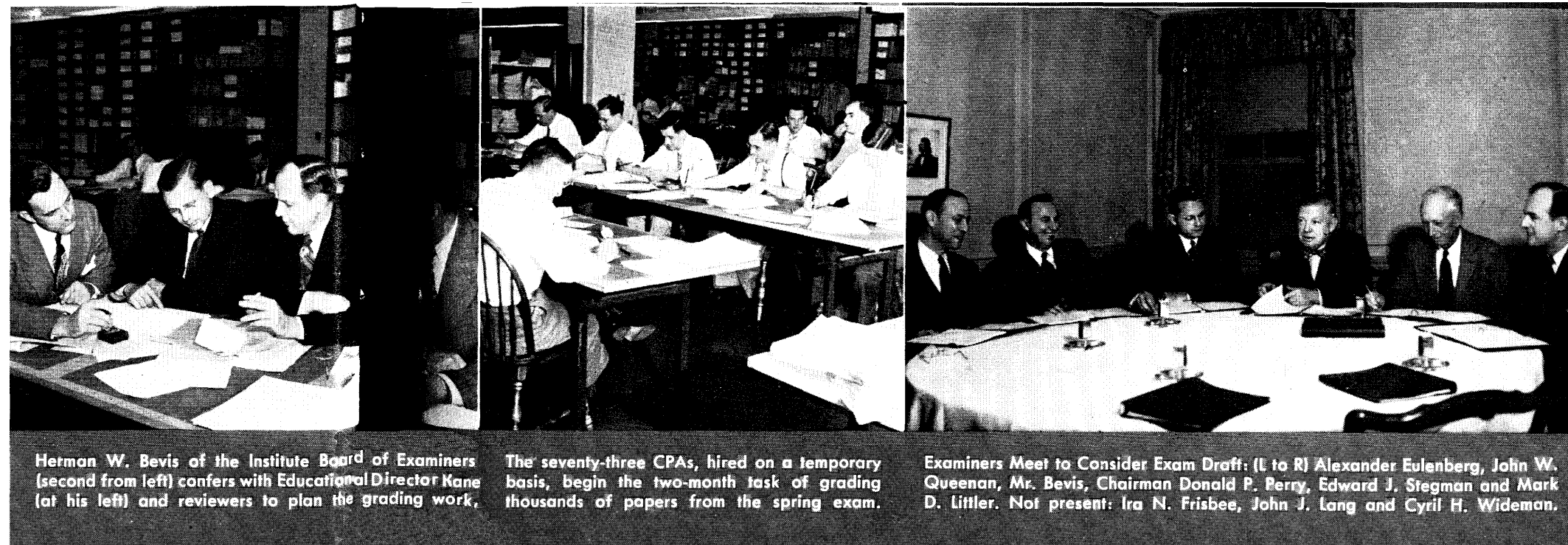
The operation of the test-and-grading service is supervised by a nine-man Board of Examiners elected by the Institute Council.

As usual, the Board divided into subcommittees for the purpose of preparing the May examination. Raw material was obtained from accounting practitioners, teachers, and other sources. (Occasionally, someone is employed to prepare specific problems if a shortage exists in a certain area.) Educational Director Robert L. Kane, Jr., serving the board in a staff capacity, assembled the material and submitted it to the subcommittees for revision, acceptance, or rejection. The first draft was prepared six months in advance of the examination date, and several revisions occurred before it was sent to the full board.

## Trial Run

Prior to any final decision on the examination, all parts of it were subjected to two trial runs by several experienced CPAs. This test-of-the-test was made to determine the normal time requirement for each part and to detect ambiguous or unsatisfactory material.

Printing the exam and its distribution to the state boards, along with the necessary forms and supplies, was a siz-



Herman W. Bevis of the Institute Board of Examiners (second from left) confers with Educational Director Kane (at his left) and reviewers to plan the grading work.

The seventy-three CPAs, hired on a temporary basis, begin the two-month task of grading thousands of papers from the spring exam.

Examiners Meet to Consider Exam Draft: (L to R) Alexander Eulenberg, John W. Queenan, Mr. Bevis, Chairman Donald P. Perry, Edward J. Stegman and Mark D. Littler. Not present: Ira N. Frisbee, John J. Lang and Cyril H. Wideman.

## Hardy Wins City Council Post

*Elections and Appointments:* E. E. Armstrong, Shreveport, La., Lt. Governor, District 25, Toastmasters International—comprising Texas and northern Louisiana . . . John E. Bemis, Des Moines, president, Municipal Band Project . . . Archibald U. Braunfeld, New York City, treasurer, American Television Society.



Mr. Hardy

Edward I. Hardy, vice president of Virginia Society, member of Richmond City Council . . . Laurence P. Harrington, Boston, trustee of Metropolitan Transit Authority . . . Rollin Miller, Coral Gables, Fla., member of citizens tax committee, Coral Gables Chamber of Commerce.

Mrs. Ida S. Broo, Indianapolis, appointed to Indiana State Board of Accountancy—the first woman to become a state board member . . . Ruth C. Ford, Columbus, Ohio, literary editor, *The Woman CPA* . . . Arthur J. Hansel, Beverly Hills, Cal., co-chairman in fund campaign for Centinela Valley Community Hospital.

Ira Mosher, New York, past president of National Association of Manufacturers, is chairman of NAM's new Industrial Mobilization Advisory Committee to assist in expediting production of vital materials . . . Howard P. Nicholson, Syracuse, N. Y., president of Local Rotary . . . Paul E. Tierney, Boston, chairman of national convention committee, Ancient Order of Hibernians.

*Speeches:* Vernon B. Burgett, Kansas City, Mo., University of Kansas Annual Business School Day . . . James L. Daniel, Tulsa, Okla., Bartlesville Engineer Club . . . George P. Ellis, Chicago, presided at "Financial Administration" session of Municipal Finance Officers, in Montreal. Also on this program: Walter O. Harris, Chicago; Ed-

ward A. Neider, Buffalo (NY) City Comptroller; Joseph M. Lowery, County Auditor, Los Angeles.

Lewis A. Feurer, Milwaukee, Jewelers' Guild . . . J. Homer Hardy, Chattanooga, Industrial Personnel Club . . . Robert T. Herkner, Benton Harbor, Mich., Chamber of Commerce "Business-Industrial-Education Day".

*New Jobs:* David W. Chappuis, Oakland, Calif., controller, Marchant Calculating Machine Co. . . SEC member Donald C. Cook, Washington, D. C., elected vice chairman for a term ending June 30, 1951. This is a new position to assist in Commission administration . . . F. Ray Friedley, Salt Lake City, director and comptroller, Geneva Steel Co. and Columbia Iron Mining Co. . . Richard M. Matthews, New York, chairman, Accounting Department, Pace College . . . Ralph E. Wilgus, Atlanta, Ga., vice president in charge of accounting, Rhodes, Inc.

## New Jersey Society Plans Conference at Rutgers

New Jersey Society has invited all CPAs to the First Annual Accounting Conference at Rutgers University, in Newark, Sept. 15-16. Speakers include Percival F. Brundage: "Influence of Government Regulations on Accounting Practice", and Maurice E. Peloubet: "Problems in Pricing Inventories". NACA and Controllers Institute will participate. For more details write Prof. William J. von Minden, Rutgers School of Business Administration, 18 Washington Place, Newark.

Two other conferences co-sponsored by state CPA societies and universities are scheduled this month at the University of Arkansas, Aug. 23-25; and at the University of Wisconsin, Aug. 28-30. They follow similar programs at Claremont Men's College in California, University of Maryland, and University of Michigan.

All the conferences provide an opportunity for informal give-and-take discussions among small groups in a leisurely college atmosphere.

## \$125,000 Rebate On Insurance

Cash rebates totaling \$125,184.47 will be sent to members participating in the AIA life insurance program within the next few weeks.

Trustees agreed to increase the reserve fund to four months' premium on insurance in effect at March 31, 1950, and to distribute checks for the balance to firms participating as of Sept. 30, 1949.

These dividends were prorated on the basis of premiums paid by each firm from Oct. 1, 1948, to Sept. 30, 1949.

## Officers, Staff Study AIA Role in War

The impact of the present war emergency on accounting and the Institute was studied at a conference early this month attended by President J. Harold Stewart, presidential nominee T. Coleman Andrews, and Executive Director John L. Carey.

This meeting, held in New York City, re-examined the current program of the Institute in light of the Far Eastern struggle. Appointment of a committee to handle special problems arising from the war was considered. Accounting aspects of proposed defense legislation are being closely watched by officers and staff.

The Institute staff will review the experience of the profession in World War II. A report on this survey will be made in the next issue of *THE CPA*.

## Rhode Island Lawyers File Suit against "Tax Experts"

The Rhode Island Bar Association has requested the State Superior Court to issue a permanent injunction preventing two self-styled Providence "income-tax experts" from preparing or advising in the preparation of income-tax returns, except for persons whose annual income is less than \$5,000 and entirely subject to standard deductions and withholding provisions.

This complaint specifically points out that the "tax experts" are not members of the Rhode Island bar, certified public accountants, nor members of the American Institute.



Mr. Mosher

# Applicants Recommended for Admission

The committee on admissions recommends admission of 254 applicants for membership in the Institute—52 who have been accorded credit for having passed examinations acceptable to the

committee, and 202 who have passed the uniform examination for the CPA certificate in participating states.

These applicants do not become members until voted upon

by Council and declared elected by the president. If protest is to be made against any applicant on the list it should reach the office of the Institute on or before August 31, 1950.

## ALABAMA

**Birmingham:** B. W. Wood.

## CALIFORNIA

**Alameda:** George A. Hackleman. **Beverly Hills:** Orville Kelman, Donald J. York. **Fresno:** Sheldon Philip Lewis. **Los Angeles:** Ben Brandes, David Brody, James S. Crow, Arthur T. Falk, William Feinblum, Gerald A. Gubser, L. F. Ludwig, J. C. McCormick, Samuel M. Pearson, David W. Rewick, Robert W. Sandison, Arthur Stannard, C. Victor Terry. **Pasadena:** Wayne T. Carroll, Jr., William E. Neuhauser. **Pomona:** Ray O. Swanson. **San Francisco:** Nathanael N. Hill, Robert H. Johnson, Paul Emanuel Kadden, Leo C. Linkenheimer, Edison L. Philip, Francis B. Troy. **Tulare:** Ralph Monroe.

## CONNECTICUT

**Hartford:** Ernest H. Pearson. **New Haven:** Harry M. Antonio.

## DELAWARE

**Wilmington:** Frank A. Gunnip, Robert M. Powel.

## DISTRICT OF COLUMBIA

**Washington:** Morris R. Fitzgerald, Theodore August Hoffmann, Victor Silbert, Sydney Staffin.

## FLORIDA

**Gainesville:** William F. Moshier. **Jacksonville:** Benjie M. Hoffenberg. **Miami:** James M. Heck, Harry L. Hinton, Thomas P. Lynch, John A. Matthews. **Miami Beach:** Charles Contopoulos, George W. Hirsch. **St. Petersburg:** Joseph Fein, James T. Lang. **Tampa:** William J. Braley, F. A. Hearing.

## ILLINOIS

**Chicago:** Stanley A. Baum, Harry T. Blandford, John Eugene Cornyn, Lawrence S. Dunham, Harris W. Ehler, Howard L. Jones, Leo Raymond Newcombe, David Robbins, Melvin J. Soberg, Hartley W. Voigt, Paul L. Weltman. **Springfield:** Edw. F. Wheeler.

## INDIANA

**Hammond:** Fred O. Dickson. **Indianapolis:** Noel E. Cord, Kenneth W. Shearer, J. Howard Williams. **South Bend:** Joseph John Miller, Jr.

## IOWA

**Waterloo:** Tunis E. Den Hartog.

## KANSAS

**Lawrence:** John T. Weatherwax. **Topeka:** Raymond L. Barkley.

## KENTUCKY

**Louisville:** Philip L. Bird, Claude I. Cohron, Charles Beverly Compton, Robert J. Fitzpatrick, Willis Carl Nale, Wallace B. Southall, Jr., Marvin H. Warren.

## LOUISIANA

**New Orleans:** S. H. Kiser.

## MARYLAND

**Baltimore:** Oliver C. Shipley. **College Park:** John Alexander Daiker, Wm. Randolph Fleming.

## MASSACHUSETTS

**Boston:** Arthur C. Chubbuck, Douglas I. Mann, James Neely, Jr., James P. O'Neill, Jr., D. Harold Sullivan. **Cambridge:** A. F. Lundberg.

## MICHIGAN

**Benton Harbor:** William E. Wenban. **Detroit:** Henry Asher, Raymond A. Barker, Jr., Robert G. Begle, Bernard Louis Blair, B. Dave Bushaw, Everett L. Evenson, Raymond F. Heitke, G. C. Henderson, Gerard J. Hodgkinson, T. J. Laine, Leo Silver. **Kalamazoo:** J. William Cundiff.

## MINNESOTA

**Minneapolis:** Glenn H. Carlson.

## MISSISSIPPI

**Meridian:** Joe W. Magee.

## MISSOURI

**Kansas City:** Francis Lee Beets, Thomas P. McVeigh, Frank E. Wilson. **St. Louis:** Dwight L. Kerley.

## MONTANA

**Helena:** Harold O. Mead.

## NEBRASKA

**Hastings:** George B. Rullman. **Lincoln:** Joseph F. Kase, C. J. Probasco. **North Platte:** Jack Edward Raetz.

## NEW HAMPSHIRE

**Manchester:** James F. Howe.

## NEW JERSEY

**Camden:** Francis X. Connors, Jr., R. Joseph Gasparro. **Hackensack:** Clare R. Pettit. **Hoboken:** Melvin L. Braunstein. **Jersey City:** Elias H. Tesser. **Newark:** Jerome M. Fien, Harry D. Windholtz, Jack Wolkstein. **Perth Amboy:** Benjamin Kirshner.

## NEW YORK

**Brooklyn:** Edward G. Steinmuller. **Buffalo:** J. Spencer Gould, Jr., Harold Wilson Murphy. **Garden City:** Anthony S. Tomasik. **Jamaica:** George L. Unthank. **Loockport:** Holman G. O'Connor. **New Rochelle:** Richard A. Reynolds. **New York:** Jacob A. Allen, W. F. Apt, Gilbert J. Barker, Harold E. Baumann, Neil V. Bedell, Meyer Bernstein, Matthew F. Blake, Joseph P. Cummings, Jr., Charles Feingold, Franklin G. Folger, Jack D. Fowler, Samuel G. Gole, Siegbert Greenbaum, Philip Grossman, Milton N. Hoffman, Michael A. C. Hume, Oscar Rolf Johannis, Irving Katz, Jack Joseph Levy, Joseph P. Lodato, Milton Miller, Louis S. Rawlins, Imre J. Rosenthal, Charles R. Taylor, Abraham Weiner, Katherine M. West, Edwin L. Weyer, Murray L. Wolf, Frank C. Wolpert, Mortimer F. Zimmerman. **Rochester:** Everett James Mann. **Syracuse:** John C. Hurdman.

## NORTH CAROLINA

**Greensboro:** C. E. Connelly. **Lenoir:** Myron Lenoir Moore, Jr. **Raleigh:** Hoyt H. Brooks. **Sanford:** E. M. Underwood, Jr.

## OHIO

**Akron:** Albert Reaven. **Canton:** W. O. Brehme. **Cincinnati:** Joseph L. Osberger, Oral Boyd Roebuck. **Cleveland:** William H. Campbell, George B. Davis, John Scott Buchanan Mercer, George C. Rakerd. **Columbus:** C. B. Rex, E. Leon Ostrander. **Euclid:** R. B. Watson. **Medina:** John H. Ziegler. **Port Clinton:** Clarence H. Streeter. **Toledo:** R. J. Comstock, Jr. **Youngstown:** George Harry Tutter.

## OKLAHOMA

**Chickasha:** Ernest H. Nikkel. **Oklahoma City:** D. Frank Plater, Roy C. Whitmire. **Tulsa:** G. H. Baxter, Harden C. Hart, Dorman Jenry Morsman, Jr.

## OREGON

**Eugene:** Nathan W. Coleman. **Portland:** Charles E. Carpenter, Sol J. Meyer, E. E. Sharp, O. A. Young. **Salem:** Donald K. Griffith.

## PENNSYLVANIA

**Lancaster:** Richard S. Allebach. **Oil City:** Howard C. Nern. **Philadelphia:** Hyman B. Berkowitz, Angelo E. Di Antonio, George Di Lauro, George Fair, Leon King, Herbert Kurtz, Sidney S. Shulman, Robert J. Williamson. **Pittsburgh:** James H. Barr, Robert M. Blake, Ralph F. Major, William C. McKee, Fred A. Stout, Robert G. Yinger. **Seranton:** Francis X. Mulherin. **Stroudsburg:** Herbert B. Crane.

## RHODE ISLAND

**Providence:** Elliott E. Dittelman, William A. Manning, Andrew J. McMahon, Ralph T. Neff, Thomas W. Sanford, William H. Wagenknecht.

## SOUTH CAROLINA

**Columbia:** E. L. McGowan.

## TENNESSEE

**Memphis:** John Alvis Owen, Stephen H. Rhea, James O. Shearer. **Nashville:** J. Dudley Galloway, Charles G. Moore.

## TEXAS

**Carthage:** Chas. P. Frasier. **College Station:** Edward S. Packenham. **Dallas:** Moore Lynn, Edmund C. Porth. **Grand Prairie:** Robert Malcolm Struwe. **Harlingen:** W. W. Watson. **Houston:** Jay Bahme, G. J. Brawner, Errol S. Carpenter, Jr., Hugh Banister Edens, Jr., Herbert J. Frenesley, Frank J. Janeba, Jr., F. Lee McNutt, Richard G. Nathan, Jr., W. Oscar Neuhaus, J. C. Trotter, John Tillman Trotter. **Lubbock:** J. Clifton Armstrong, Wayne L. Kelly. **Midland:** J. Henry Wilkinson, Jr. **Orange:** Richard R. Allen. **Port Arthur:** Carl H. Bernhardt. **Waco:** Emerson O. Henke, Fred J. Pearson.

## VIRGINIA

**Richmond:** Lawrence Clifton Sullivan, Jr.

## WASHINGTON

**Lincoln:** LeeRoy Simmons. **Seattle:** Paul A. Diers, Oiva Elmer Heino. **Spokane:** Dorothy J. Ward.

## WEST VIRGINIA

**Wheeling:** Thos. C. Committe.

## WISCONSIN

**Appleton:** P. E. Cooper. **Milwaukee:** Bernard I. Connolly.

## CANADA

**Vancouver:** Lyle M. Markhart.

## CUBA

**Oriente:** C. D. Brown.

## JAPAN

**Tokyo:** Douglas F. Reeves.

## Women CPAs to Meet

Institute members have been invited by the American Woman's Society of Certified Public Accountants and the ants to their 1950 convention, at Hotel Biltmore, New York, Sept 29-Oct. 1.

## State Staff Executives To Meet at Institute

Staff executives of state CPA societies will meet as a group for the first time with the Institute staff in New York, August 28-29.

On the agenda are such topics as coordination of state society and Institute activities, legislation, public relations, meetings, organization of chapters, publications, relations with lawyers.

About sixteen state societies will be represented.

## Bennett, Secretary of Pa. Institute, Dies



Robert J. Bennett of Philadelphia, secretary of Pennsylvania Institute of CPAs since 1918, and secretary of the Pennsylvania State Board of Examiners of Public Accountants since 1926, died July 10 at his summer residence in Atlantic City. He was 79 years old.

Mr. Bennett, a member of the American Institute and predecessor organizations since 1907, was a CPA of Pennsylvania and Michigan, and a Canadian Chartered Accountant. His Philadelphia affiliations included membership in the Union League and Kiwanis Clubs.

In World War I, he was Chief Accountant of the Division of Auditing of the U.S. Food Administration, in Pennsylvania, reporting to Herbert Hoover. He was the author of the book *Corporation Accounting*, published in 1917, and author or co-author of several other accounting and business texts.

Ernest Pel Adams, 64, of San Gabriel, Calif., member of the Institute since 1936, and of its predecessor American Society, died May 7. He had practiced under the name of E. P. Adams in Los Angeles and San Gabriel since 1925 and he had been chief clerk in the Arizona State Engineering Department and employed by Haskins & Sells in Los Angeles.

Nathaniel B. Bergman, 65, of New Rochelle, N. Y. (1919 member), died May 23. Until his retirement early this year, he was with Lybrand, Ross Bros. & Montgomery in New York City. Born in England, he came to the United States as a young man and was employed as a cost

accountant by Bethlehem Steel before entering public accounting.

Harry Wesley Burleson, 56, of Detroit (1922 member) died May 27. Mr. Burleson, born in Michigan, was a CPA of that state and Ohio. For 29 years he had been associated with Ernst & Ernst—since 1940 as assistant manager of the Detroit office. He was a member of Michigan Association of CPAs, NACA, Lochmoor Club, and Economic Club of Detroit.

Wesley T. Cole, 79, of Chicago, a member of the Institute and predecessor organizations since 1913, died May 21. Mr. Cole entered public accounting in 1901 as an employee of Haskins & Sells. Later he was associated with Peat, Marwick, Mitchell & Co., Wm. W. Thompson & Co., other firms, and practiced under his own name. He was a member of the Wisconsin Society of CPAs.

Fred G. Gamer, 57, of Miami, Fla., died March 4, the Institute has just learned. Mr. Gamer, a Florida CPA and a member of Florida Institute of Accountants, practiced public accounting under his own name. He was born in Germany and entered the United States about 35 years ago. He had been president of the Miami Civitan Club and a director of Miami Chamber of Commerce.

W. Bowen Henderson, 56, of Asheville, N. C., died July 17 after a long illness. He had practiced under his own name in Asheville since becoming a CPA of North Carolina in 1928. He was a native of Montgomery, Ala., and an honor graduate of Alabama Polytechnic Institute, a member of the North Carolina Association of CPAs, and a former member of the state board of accountancy.

Linwood T. Holt, 61, of Huntington, W. Va., practicing certified public accountant, died suddenly on June 16 following a stroke. Mr. Holt, who obtained his certificate from West Virginia in 1934, was a member of the West Virginia Society of CPAs and had belonged to the American Society of CPAs before its merger with the Institute. He was a past master of a Masonic Lodge in Richmond, Va., where he formerly lived.

Millard H. Ronzone, 54, of Warren, O., treasurer of Copperweld Steel Company, died July 13. Mr. Ronzone formerly lived in New York, studied at the College of the City of New York, and became a CPA in 1931. He was associated for several years with Haskins & Sells, and had been treasurer of North American Securities Company, before joining Copperweld in 1940 as a division controller.

Paul J. Schlesinger, 55, of New Orleans, resident partner of Ernst & Ernst,

## FIRM ANNOUNCEMENTS

CONRAD T. BJORNIE and WILLIAM G. BAUCUS have formed the partnership of Bjornie and Baucus, with offices in This-ted Building, Great Falls, Mont.

LEE BUCKENMEYER and JOSEPH A. KING have formed the partnership of Buckenmeyer & King, 901 Spitzer Building, Toledo, Ohio.

MILTON C. CALECHMAN announces dissolution of the firm of Calechman & Calechman in New Haven, Conn. He is currently engaged in law practice.

COHEN and KAMIL, 1112-16 Arcade Building, St. Louis, have admitted Morris Klibansky to partnership and changed the firm name to Cohen, Kamil and Klibansky.

JOE L. JACKSON has opened an office for public accounting practice in Clover, S. C.

J. D. KINGSOLVER and GEORGE M. WHITE have organized the firm of Kingsolver, White & Company, Exchange National Bank Building, Colorado Springs, Colo.

ERNEST G. MAIHACK and AUSTIN A. KOHL have merged their practices to form the firm of Kohl, Maihack and Company, 744 Broad Street, Newark 2, N. J.

MARSHAL W. NELSON has moved his office to 411 Washington Street, The Dalles, Ore.

KENNETH E. OAKLEY is now located at Suite 404, State Bank Building, Evanston, Ill.

ARTHUR YOUNG & COMPANY have moved their Kansas City office to 21 West 10th St., Kansas City 6, Mo.

died June 18. He was born in Van Wert, O., and had been associated with Ernst & Ernst since his graduation from the University of Michigan in 1917. Joining the firm in St. Louis as a junior accountant, he became manager of the New Orleans office in 1927 and a partner in 1940. He was a CPA of Missouri, Louisiana, and Mississippi and a member of Missouri and Louisiana Societies.

The  
**CPA**

The Certified Public Accountant  
270 Madison Ave., New York 16, N. Y.

**INSTITUTE OFFICERS**

PRESIDENT: J. Harold Stewart

VICE PRESIDENTS: Maurice Austin, George O. Carlson, James I. Keller, Jr., Maurice H. Stans, TREASURER: Charles H. Towns, EXECUTIVE DIRECTOR: John L. Caney.



# The CPA

September 1950

MEMBERSHIP BULLETIN OF THE AMERICAN INSTITUTE OF ACCOUNTANTS

## New Defense Committee Meets

To assist in the solution of wartime problems which concern the accounting profession—including effective use of manpower, government procurement, taxation, price control, rationing, auditing and accounting for civilian business in a period of national emergency—the Institute has established a special nine-member defense committee. This committee held its organization meeting in New York on September 6.

### Outlook for Deferment

President J. Harold Stewart and Executive Director John L. Carey conferred last month in Washington with top officials of the Defense, Commerce, and Labor Departments and the Office of the Director of Selective Service.

In a preliminary report to firms and practitioners represented in the Institute membership, Mr. Carey said that unless there are serious international developments "it does not appear that accounting firms and practitioners will immediately lose any significant proportion of their staffs under the Government's present military procure-

ment program. . . . With the presently expected limitations on calls to service, deferments of accountants on occupational grounds are extremely unlikely. With a view to the future, however, the Institute is requesting the Department of Labor to include certified public accountants in its list of critical occupations and is making a similar request of the Selective Service System." Formal requests have been submitted to both agencies.

Inclusion of an occupation on the critical list does not in itself result in deferment, but means that an individual in a listed occupation will receive special consideration if his work is directly related to defense or essential civilian production.

### Record of World War II

In cooperating with the Government in the present emergency, Institute officers, committees, and staff have available for their guidance the experience of the profession in World War II. This includes preparation of accounting manuals for the Armed

[Continued on page 6]

## NEWS OF THE MONTH

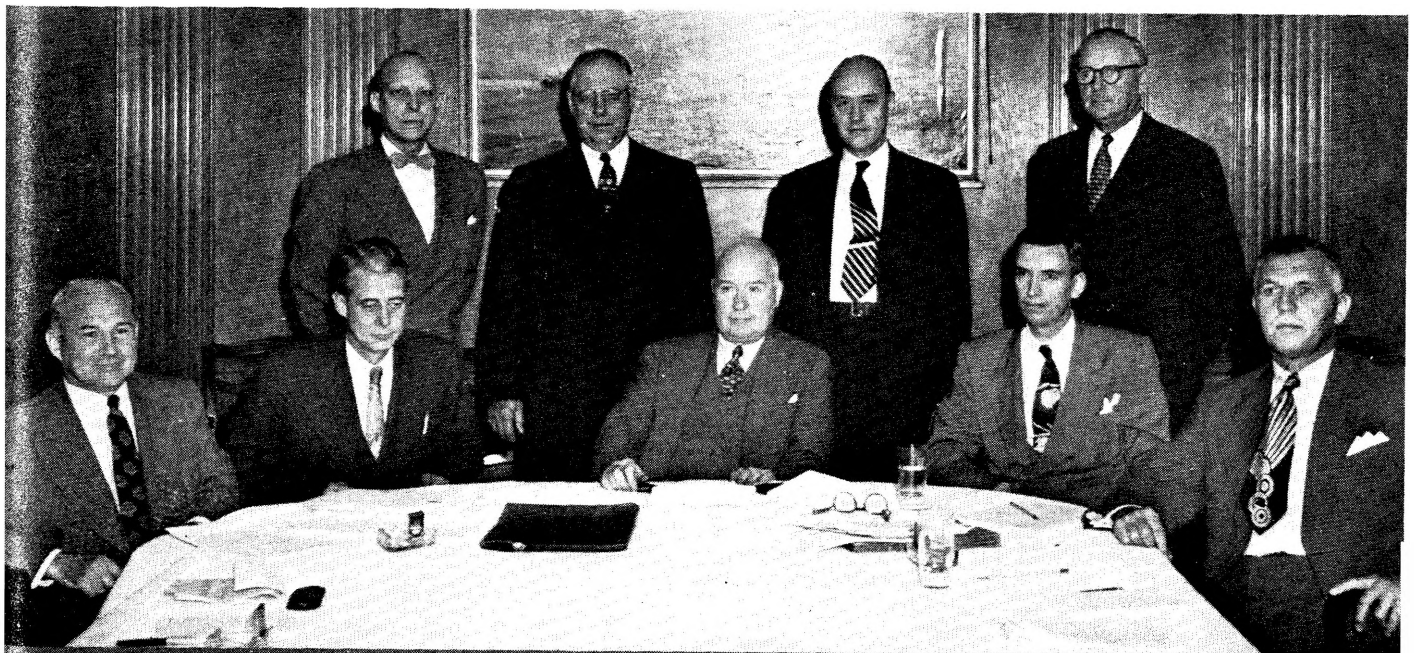
Vacation time has come and gone. But Institute officers, committees, and staff were not idle during the summer.

For instance:

President Stewart traveled to Charlottetown, Prince Edward Island, for the annual meeting of the Canadian chartered accountants, August 21-25; he addressed the American Accounting Association's annual meeting, in Boston, September 7.

Mr. Carey attended the Second Accountants' Seminar of the Arkansas Society and Arkansas University, in Fayetteville, August 23; thence to Johnson City for Tennessee Society's annual meeting, two days later. This month he headed West to attend Ohio Society's annual meeting in Toledo,

[Continued on page 8]



New Institute defense committee goes to work. Seated (L. to R.) Grady, Executive Director Carey, Chairman J.

Harold Stewart, Mills, Black. Standing (L. to R.) Howell, Bailey, Peloubet, Andrew Stewart. Not present: McLaren.

## Alabama Hails CPAs of 2050



Chairman W. M. Franklin of Alabama Society's history committee signs a prophecy addressed to CPAs of 2050 as W. Cooper Green, Birmingham Mayor, looks on. Standing (L to R) James Regan, Jr., president of the society; Henry J. Pratt, awards committee chairman; Howard Borland, meetings committee chairman; J. D. P. Arnold, past president; F. W. Nichols, chairman, Ala. Council; J. J. Scarborough, Birmingham Chapter Chairman; Wm. J. Christian, CPA Board.

In the cornerstone of Birmingham's new City Hall, sealed August 3, is a letter to "The Alabama CPAs of 2050" signed by W. M. Franklin, chairman of Alabama Society's history committee. It lists State CPA requirements and names the 183 men and two women who have received certificates. Chairman Franklin estimates there will be 5,000 CPAs in the state by 2050. He also predicts the profession will then have included several Governors of Alabama and, perhaps, a President of the United States.

### What Do Members Want?

Analyzing 104 replies to a mail questionnaire, Oregon found the most popular discussion topics are accounting and auditing procedures, the federal income tax, and other professional problems. The majority prefer to hear tax questions discussed by non-CPA speakers. Forty-four members made specific suggestions about Society policies and activities.

Oklahoma's public relations program for the coming year will also be

based, in part, on an "activity census" of Society members.

### Iowa Legislative Program

Iowa Society wants every State official to understand its legislative proposals. In August, President Ralph W. Pederson sent the AIA pamphlet, *Why CPA Standards Are Important to You*, to candidates and legislators. In September he will send another Institute booklet, *The CPA Examination: Gateway to a Profession*, to the same list, and in October a letter explaining the Society's recommendations. Meanwhile the Society asks every member to discuss this program with his representatives.

### Survey of CPA Laws

Pennsylvania's legislation committee — T. H. Carroll, chairman — has analyzed 793 replies to a membership questionnaire on state CPA laws. The committee reports: 83 per cent want higher experience requirements; 88.7 per cent, more education; 97.5 per cent said high-school graduation should be

mandatory; 71.6 per cent thought a college degree should be required, eventually, except for candidates with 12 years' (or some other specified minimum) experience; 89.5 per cent believed a college degree should shave one to two years from the experience requirement.

### Oklahoma Honors Award Winner

John R. Herzfeld, winner of the Sells gold medal for highest grades in the November, 1949, uniform CPA examination, received a scroll from Oklahoma City Chapter at a luncheon on August 9. It was presented by T. Dwight Williams of Oklahoma City, a past president of the American Institute.

### Lawyers Urge CPA Audits

Idaho Prosecuting Attorneys Association recently proposed state legislation requiring all public accounts to be audited by certified public accountants.

### Kentucky Asks New College

Kentucky Society has petitioned University of Louisville to establish a college of commerce offering business subjects and a bachelor's degree in accounting. A resolution notes the absence of such facilities in the state's largest city.

### Odds and Ends

Ohio's federal tax committee, in letters to Congressional leaders, endorsed American Institute recommendations for amendment of federal tax laws.

A state bar association committee has invited suggestions from Michigan Association members on annual reports and corporate forms used by the State Corporation and Security Commission.

Georgia Society again joins University of Georgia in sponsoring the Fourth Annual Accounting Institute, at Athens, Oct. 26-27.

California's annual report shows that 450 of its 1,900 members served on Society and Chapter committees and boards of directors last year.

### Elections

New state society presidents: Hawaii: Hugh C. Tennent, Honolulu; Kentucky: W. Kenneth Simpson, Louisville; New Mexico: Edward M. Hartman, Clovis.

## Boston Reservations Now Over 1,000

More than one thousand reservations have already been received for the 63rd annual meeting, at the Hotel Statler in Boston, October 2 to 5. Attendance is expected to break all records.



Mr. Chamberlain

Topics slated for technical sessions include accounting problems in mobilization, financial reporting, taxation, client relationships, accounting services to small businesses, accounting office operation.

Two nationally prominent speakers have just been announced. H. Struve Hensel, partner in the New York law firm of Carter, Ledyard & Milburn and former Assistant Secretary and General Counsel of the Navy Department, will address the opening luncheon on Monday. Thomas J. Lynch, General Counsel, U. S. Treasury Department, will discuss recent developments in federal taxation at the tax session on Wednesday morning.

The Institute will open a temporary

### Fall CPA Examination

The fall uniform CPA examination, prepared by the Institute and offered by state boards of accountancy, is scheduled as follows:

Accounting Practice, Part I—Wednesday, Nov. 8 (1:30 to 6 PM)

Theory of Accounts—Thursday, Nov. 9 (9 AM to 12:30 PM)

Accounting Practice, Part II—Thursday, Nov. 9 (1:30 to 6 PM)

Commercial Law—Friday, Nov. 10 (9 AM to 12:30 PM)

Auditing—Friday, Nov. 10 (1:30 to 5 PM)

The spring examination will be held May 16-18, 1951.

office at the Statler on Saturday, September 30, in the Hancock Room near the registration desk. Several staff department heads will be on hand to discuss Institute policies and other questions of interest to members.

Richard S. Chamberlain of Boston, chairman of the Institute committee on meetings, is in charge of the annual meeting program.

## Brundage to Address NYU Tax Conference

Percival F. Brundage, co-chairman of the National Conference of Lawyers and CPAs, and Judge Charles D.



Mr. Brundage

Hamel, chairman of the committee on cooperation with accountants, Tax Section, American Bar Association, will speak at a dinner session of New York University's Ninth Annual

Institute on Federal Taxation, November 15.

These annual conferences were organized by J. K. Lasser in 1942. They have been attended by tax practitioners from every state.

The NYU program, which will continue from November 11-18, will be addressed by a hundred tax experts. For more information write to Dean Paul A. McGhee, Division of General Education, New York University, New York 3, N. Y.

A similar program for tax practitioners in the Far West will be conducted at the University of Southern California, in Los Angeles, Oct. 18-20.

## Services and Publications for Members

**NOTE:** This is a partial list of services and publications, prepared as a reminder to Institute members. A single copy of most AIA publications is sent free to all members; there is a small charge for additional copies. This list, of course, does not cover such general services as legislative activities, public relations, preparation and grading of CPA exams, speakers' bureau, technical studies, etc.

**The Library.** The Institute's collection of accounting literature now includes more than 12,000 books and 28,000 pamphlets. Only members are permitted to withdraw material—in person or by mail.

**Technical Information Service.** Organized by the research department, the Service answers written questions on technical accounting, auditing, and related problems. Tax questions cannot be answered at present.

**Pattern Speeches.** Three talks, prepared by the public relations department for delivery before non-technical audiences. Titles: Business and Public Opin-

ion, What Accounting Means to You, What Is Income? Available on request.

**The Journal of Accountancy.** Authoritative monthly journal of the accounting profession. (\$6 a year to non-members)

**The CPA.** A monthly news bulletin. (available only to members)

**Accounting Research Bulletins and Statements on Auditing Procedure.** Technical pronouncements in the form of research bulletins and statements, summarizing results of studies by the committees on auditing and accounting procedure.

**Case Studies in Auditing Procedure and Case Studies in Internal Control.** Case studies intended to illustrate actual application of auditing procedures, prepared by the committee on auditing procedure.

**Annual Meeting Proceedings.** Complete text of all technical papers presented at the Institute annual meetings.

**Annual Reports and Reports to Council.** Complete text of committee reports presented at annual meetings, and

at midyear meetings of Institute Council.

**List of Members.** Alphabetical and geographical directory of members revised every two years.

### Current Pamphlets:

**Audits by Certified Public Accountants.** A research department pamphlet explaining the functions of the independent CPA in the conduct of an audit.

**Small Business Has Big Problems.** A pamphlet outlining and illustrating typical problems which CPAs can help the small businessman to solve.

**Why CPA Standards Are Important to You.** A question-and-answer leaflet about CPAs and their professional standards.

**A Career in Public Accounting.** A public relations pamphlet for high school students and college freshmen who have not yet chosen their vocation.

**The CPA Examination: Gateway to a Profession.** A booklet about the CPA examination intended for advanced accounting students and candidates for the examination.

Nineteen full or part-time state society staff members met for a "work-level" conference in New York City on August 28-29—the first such meeting ever to be held.

The two-day session had been proposed originally in a special discussion of state society and Institute relations at the spring meeting of Council in White Sulphur Springs. The executive committee had appointed a subcommittee to explore this subject, and its chairman, Prior Sinclair of New York, reported:

"As more and more state societies acquire full-time assistants, the possibility arises that a good deal of effective coordination could be accomplished at the staff level. To this end it has been proposed, and we ask the opinion of Council on this particular suggestion, that the Institute staff arrange regional meetings of state society staffs once a year or oftener, at which information and opinions could be exchanged on how to secure the most effective coordination in day-to-day activities."

The Council endorsed this proposal, with the added suggestion that it might be more profitable to hold the first conference at the Institute headquarters in New York.

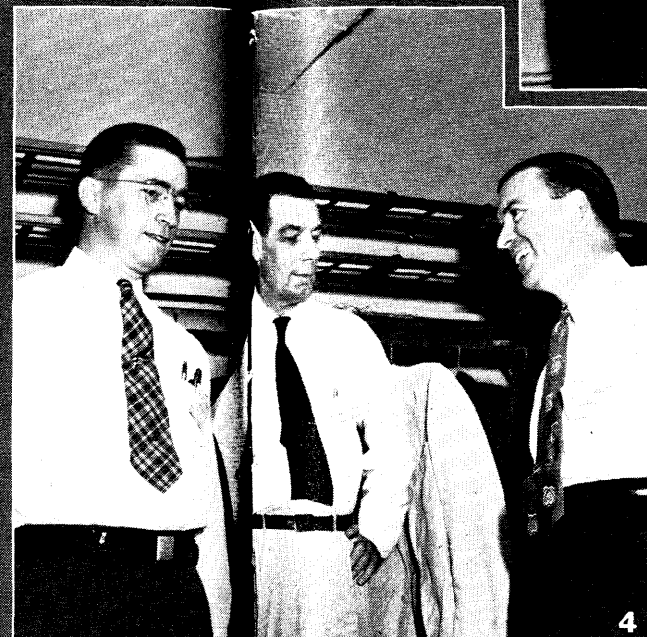
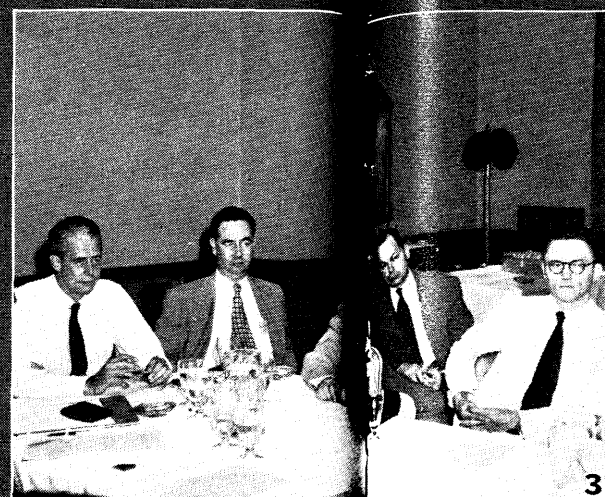
#### Coordination and Performance

"The profession which we all serve," said Executive Director John L. Carey in opening the meeting, "clearly wants the maximum possible coordination of its activities at the national and local levels. It also wants the most effective possible performance at both levels. We who carry on the day-to-day work are in the best positions to bring about good coordination and good performance."

These dual objectives were reflected in the meeting program. Sessions were devoted to public relations, legislative problems, committees, meetings, chapter organization, office operation, and publications. However, the discussion broadened at times to cover a host of additional subjects: speakers' bureau operation, distribution of pamphlets, admission of members, finances, etc.

The meeting also considered the impact of the present defense emergency. It was generally agreed that if World War II experiences could be used as a guide, the accounting pro-

# State Secretaries Meet at Institute



State society representatives discuss their problems with each other and with members of the Institute staff. 1. (L to R) Miss Marlay, Garner, Miss Arliss, Beasley, Rains,

Todd, Carey. 2. Aronson, Gantt, Mrs. Welton, Hottenbacher, Robertson, Miller, Steele. 3. (L to R) Noyes, Stith, Winton,

Lincoln. 4. (L to R) Johnson, Rains, Beasley. 5. At desk: Miss Marlay, Noyes. Standing (L to R) Garner, Lawler, Sargent. 6. Miss Cochrane (L) and Miss McGinley.

fession would still face public relations problems, still undergo legislative attacks, still need technical publications and meetings. The emphasis might change—from the position of CPAs under Wage and Hours, for example, to their status under Selective Service. However, it seemed unlikely to the secretaries that the basic nature of the profession's organizations would be altered nor the ex-

tent of their activities greatly diminished. Most of the discussion, as Mr. Carey suggested in his introductory remarks, was led by the secretaries themselves. "We of the Institute staff," he told them, "are not going to use up a lot of time explaining our activities and services, which are already familiar to most of you. You know a lot more about state society management than we do.

Our operating problems are quite different from yours, and we can't tell you how to do your jobs. We hope that you will learn from each other, and that we will learn from you—rather than the reverse." The only AIA staff member who spoke in addition to Mr. Carey was Public Relations Director Charles E. Noyes, who discussed coordination of national and state activities, and

stressed the desire of the Institute to furnish pamphlets and other materials of the greatest possible usefulness to the state societies. Topics on the agenda were assigned to state society secretaries with the longest experience, with informal papers followed by a discussion of each subject. The state executives attending the meeting were S. Paul Garner of Ala-

bama; Orvel M. Johnson, Arkansas; Arthur M. Sargent, California; Clifford C. Beasley, Florida; Jeannette M. Cochrane, Illinois; Roy W. Steele, Indiana; George S. Robertson, Maryland; Helen C. Hottenbacher, secretary to Mr. Robertson; Ruth M. Welton, Massachusetts; Hiram P. Todd, Jr., Michigan; Wentworth F. Gantt, Robert A. Lincoln, and Dr. Emanuel Saxe, New York; Raymond R. Rains, North Carolina; Mary Lou Marlay, Ohio; Florence A. McGinley, Pennsylvania; H. Talcott Stith, Jr., South Carolina; Thomas W. Leland, Texas; and F. Byers Miller, Virginia. In addition to Mr. Carey and Mr. Noyes, four Institute staff members were present: H. T. Winton, Administrative Secretary; William S. Papworth, Managing Editor of *The Journal of Accountancy*; Elizabeth Arliss, Assistant to the Executive Director; and John L. Lawler, Assistant Director of Public Relations.

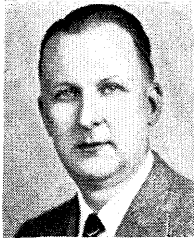
#### The Program

The first day's session began at 10 AM and continued through dinner. The evening was left free for the out-of-town guests, but AIA staff members remained available for further conferences. Many of the secretaries preferred to stay for this unscheduled meeting—which adjourned shortly before midnight. The second day's session opened at 9 AM and continued until late afternoon. There followed a tour of the Institute offices to provide the visitors with a visual impression of the facilities as a basis for using them to best advantage later.

At the conclusion of the meeting, Mr. Carey observed: "I said at the first session that we hoped this meeting would be of historic importance in the development of the accounting profession—that its success would justify its repetition every year. From our point of view, those hopes have been fully realized. Only you, of course, can judge its value from the state society viewpoint." The secretaries, in response, seemed to have only one complaint: that even the two day-long sessions were not long enough to cover the wide fields of common interest.

## Five Outside Groups Hear CPAs

Louis W. Bennett of Tulsa, treasurer of Sunray Oil Corporation and member of the Oklahoma-Kansas Oil Industry Information Committee, addressed Miami, Okla. Lions Club, August 11.



**Mr. Olson**

Harry E. Olson, Professor of Accounting at the University of South Dakota, was a lecturer at the First Annual Junior Employees Conference of South Dakota Bankers Association.

George O. Podd, of Chicago, was on the program of the Sixth Annual Summer Short Course, University of Houston, sponsored by Texas Hotel Association and cooperating organizations.

O. Jay Silverman, Atlantic City, a trustee of New Jersey CPA Society, addressed the Exchange Club, August 9.

### Other Activities

Peter Guy Evans, New York City, formerly acting chairman of the Excess Profits Tax Council, is the author of an article entitled "We Don't Need an Excess Profits Tax!" in the *Commercial and Financial Chronicle* for August 24.

Charles S. Roberts, Miami Beach, Fla., is treasurer of Miami Beach Realtors Convention Corporation now planning the 1950 annual convention program of the National Association of Realty Boards.

Stanley Tunick, New York City, is co-author of *Fundamental Accounting—Theory and Practice*, recently published by Prentice-Hall. The other author is Dr. Emanuel Saxe, New York State Society's director of technical services and research.

Harvey T. Casbarian, Baltimore, Md., was consultant to a committee of the American Institute of Architects which recently published a book en-

cluding leaders in the profession and in Government agencies, to discuss wartime accounting and auditing problems with contractors in major cities throughout the country.

### New Jobs

James N. Gilchrist, New York City, has been appointed acting comptroller of the Domestic and Foreign Missionary Society of the Protestant Episcopal Church.

Walter F. Miller, Philadelphia, has been advanced to district manager of Studebaker Corporation's regional office.

## DEFENSE COMMITTEE

[Continued from page 1]

Forces, other Government agencies, and contractors; cooperation with Selective Service, War Manpower Commission, and individual public accounting firms in allocation of accounting personnel; assistance in developing procedures relating to procurement, negotiation of contracts, cost definitions and interpretations, audits of war contracts, training of audit personnel, renegotiation and termination.

Institute representatives also conferred with Government officials on wartime tax questions relating to excess-profits taxes, sales taxes, carry-backs, and integration of taxes with other profit controls.

In the area of price control the Institute assisted the OPA to formulate its financial reporting procedure, and to develop and apply cost interpretations. Under the rationing program, it requested adequate gasoline allotments for accountants who served clients engaged in war activity.

Wartime auditing and accounting problems of civilian business also received consideration—inventory-taking for war contractors, confirmation of Government receivables, accelerated depreciation on war facilities, accrual of revenue under war contracts, accounting for war reserves, inventory valuation.

In addition the Institute organized panels of certified public accountants who volunteered their services to war agencies on a part-time basis. It also arranged for panels of speakers, in-

### Committee Members

Members of the new national defense committee held the following positions in World War II:

*George D. Bailey, Detroit*, consultant to the Office of Contract Settlement and other federal agencies.

*William M. Black, New York City*, Executive Director of the Combined Production and Resources Board, and Special Assistant to the Director of Industry Operations, War Production Board.

*Paul Grady, New York City*, Executive Assistant in the Navy and responsible for organization of its cost-inspection policy.

*N. Loyall McLaren of San Francisco*, Commodore, Chief Supervising Auditor of the Twelfth Naval District and Chairman of the New York Division of the Navy Price Adjustment Board.

*Harry E. Howell, New York City*, Assistant Director of the Production and Purchases Division, Army Service Forces, and later Controller of the United Nations Relief and Rehabilitation Administration.

*Leslie Mills, New York City*, Lieutenant in the Naval Reserve assigned to the Cost and Audit Branch of the Office of Procurement and Material.

*Maurice E. Peloubet, New York City*, consultant to the War Production Board and the Navy Department, and in charge of a European survey of accounts for the Combined Chiefs of Staff and the Corporation Audits Division of the General Accounting Office.

*Andrew Stewart, New York City*, Colonel and Chief of the Accounting and Audit Supervisory Branch, Fiscal Division, War Department.

*J. Harold Stewart, Boston*, Captain in the Navy, Executive Assistant to the Director of the Navy Cost Inspection Service, and Assistant Director of the Office of Contract Settlement.

President Stewart accepted the chairmanship of the committee at the request of T. Coleman Andrews, presidential nominee. Under the Institute by-laws, the president is an ex-officio member of every committee.



**Mr. Evans**

## Partners of Two Firms Die in Honolulu

Edward J. Greaney, 55, of Honolulu, partner in the public accounting firm of Tennent & Greaney, died June 20 after a few days' illness. He was born in Portland, Me., and went to Hawaii in 1923 as office manager of Oahu Railway & Land Co. In 1930, with Henry P. Seidemann, CPA, he assisted in establishing Hawaii's first budget and coordinated accounting system.

Mr. Greaney was a past president of Hawaii Society of CPAs, a director of several Hawaiian corporations, and for many years chairman of the tax committee of the Honolulu Chamber of Commerce.

From 1915 to 1923, he was in government service with the U. S. Department of Commerce, the Income Tax Unit of the Treasury, and the Office of Auditor for the War Department.

Fredeick G. Pearson, 64, of Honolulu died July 21. He was a partner in Young, Lamberton & Pearson, and had been an Institute member since 1922. Mr. Pearson, who was born in Glasgow, Scotland, was employed by public accounting firms there and in South Africa. In 1921 he went to Honolulu as a senior clerk with the Audit Company of Hawaii, Ltd. In World War I he served with the British Ministry of Munitions and was Chief Accountant on the construction of a plant for United States Steel Corp. Ltd., at Sheffield.

Cletus W. Bourke, 66, partner of Cletus W. Bourke & Company of New York City, died August 11. Mr. Bourke was born in Meriden, Conn., but had lived in Brooklyn for 35 years. He was a charter member

## Richardson Addresses Lawyers in Washington

Mark E. Richardson, chairman of the AIA federal tax committee, addressed a meeting arranged by the



Mr. Richardson

Committee on Continuing Legal Education, in Washington, September 16. This program immediately preceded the annual convention of the American and Canadian Bar Associations. Its purpose was to acquaint lawyers with financial affairs of business clients.

Sponsors were the D. C. Bar Association, American Law Institute, and the American Bar Association.

of the American Society of Certified Public Accountants (which later merged with the Institute), a member of the Arkansas bar, and had been admitted to practice before the U. S. Board of Tax Appeals and the Treasury Department.

Claude Collard, 63, of Fort Worth, Tex., an independent practitioner there since 1932, died suddenly on August 19 following a heart attack. Mr. Collard was born in Arlington, Tex., and studied at Texas University. He had been employed by the Treasury Department as a deputy collector at Oklahoma City, and by public accounting firms in Tulsa and Fort Worth.

Arthur G. Hieronymus, 42, died at his home in De Pere, Wis., August 20, after a short illness. He had been a partner in Evans and Race, Green Bay certified public accountants, for three years. Mr. Hieronymus was a native of Beardstown, Ill., and a graduate of the University of Illinois. He was associated for 12 years with the Chicago office of Haskins & Sells, and in 1941 became controller of Wheeler Cheese Corp. in Green Bay.

David W. Schriewer of San Antonio, Texas, died August 23 of polio at the age of 35. He had been associated with Eaton & Huddle, CPAs, since 1948. Mr. Schriewer was born in Guadalupe County, Texas; studied at Texas A & M College; and was graduated from Texas University. He was a member of the Texas Society of CPAs and the National Association of Cost Accountants.

John W. Stokes of New York City and Stuart, Fla., died in Princeton, New Jersey, on July 23. He was born in Talona, Ga., 53 years ago. Mr. Stokes was a partner in John W. Stokes & Co., New York CPA firm which he founded in 1932, and a lawyer. Following service with the Navy in World War I, he was employed as a bookkeeper. Except for five years as treasurer of General Motors Holding Corp., he had practiced public accounting almost continuously since 1920.

Anthony J. Yocis, 55, partner in J. Lee Nicholson & Company of New York City since 1938, died July 31 at Endicott, N. Y. Mr. Yocis, born in Lithuania, was an Illinois miner at 15. Later he became a street car conductor, locomotive fireman, ticket checker at Chicago Union Station, auditing clerk with National Aniline & Chemical Co., and, in 1921, a junior with J. Lee Nicholson & Company. In 1929 he was graduated from New York University where he became president of Beta Gamma Sigma and Beta Alpha Psi chapters. He had been president of Ozone Tudor Civic Association in his home town of Ozone Park, Long Island, and vice chairman of Queens County Democratic Committee.

## New Law Clarifies Tax Claim Deadline

A bill, covering one of the recommendations submitted by the Institute committee on federal taxation to the House Ways and Means Committee, was signed by the President on August 18 and has been designated as Public Law 716.

This bill, introduced as HR 9120 by Representative Eberharter of Pennsylvania, amends Section 322 (b) (3) of the Internal Revenue Code. It provides that taxpayers who make an agreement with the Commissioner, extending the time within which an assessment of income tax may be made, do not thereby subject themselves to a reduction in the period of time otherwise available to them for the filing of a claim for credit or refund.

The amendment applies to taxable years beginning after December 31, 1941, and in certain limited cases, to taxable years beginning after December 31, 1923, and before January 1, 1942.

## FIRM ANNOUNCEMENTS

MAX BECKER & COMPANY, with offices at 704 South Spring St., Los Angeles, and 100 West Monroe St., Chicago, has admitted Arnold Handel to partnership.

CAMERON & JOHNSTONE and TENNENT & GREANEY, of Hawaii, have merged their partnerships in the firm of Cameron, Tennent & Greaney, with offices in Honolulu and in each of the major Islands.

T. E. LOTT, C. E. LEHMBERG, JR., and EUGENE T. BEARD, JR., have formed the firm of T. E. Lott & Company, First Columbus National Bank Building, Columbus, Miss.

W. WEBSTER McCANN and KENDALL B. MURRAY have formed the partnership of Webster McCann & Co., 89 Broad St., Boston, Mass.

A. B. MYATT of Monroe, La., and HENRY E. NETTLES of Dallas, Tex. have formed the partnership of A. B. Myatt & Co., with offices at 405 Andrews Building, Dallas; 606 Glover Crim Building, Longview, Tex.; and 315 Bernhardt Building, Monroe.

WARD, REA & SHAW, Rosenbaum Building, Meridian, Miss., has admitted Frank L. Giffin and John H. Stuart to partnership.

# Applicants Recommended for Admission

The committee on admissions recommends admission of 147 applicants for membership in the Institute—36 who have been accorded credit for having passed examinations acceptable to the

committee, and 111 who have passed the uniform examination for the CPA certificate in participating states.

These applicants do not become members until voted upon

by Council and declared elected by the president. If protest is to be made against any applicant on the list it should reach the office of the Institute on or before September 30, 1950.

## CALIFORNIA

**Bakersfield:** Curtis Darling. **Berkeley:** Herbert J. Barrett. **El Monte:** John H. Cooper. **Hollywood:** Sylvester E. Richey. **Inglewood:** Norman Bradley Barker. **Long Beach:** David E. Cohee. **Los Angeles:** H. L. Black, Julius Dell. **San Diego:** Nathan L. Eggert. **San Francisco:** Genevieve Herrill, John G. Maddux, Theodore I. Pearson, Elizabeth Irene Smelker. **Stanford:** E. H. Breed.

## COLORADO

**Colorado Springs:** Frank S. Auld. **Denver:** Jerome J. Kesselman.

## CONNECTICUT

**New Haven:** Kathryn Ann Reynolds.

## DISTRICT OF COLUMBIA

**Washington:** Ellsworth H. Morse, Jr., Rudolph F. Olson.

## FLORIDA

**Homestead:** Stanley H. Crouch. **West Palm Beach:** John W. Wilson.

## GEORGIA

**Albany:** Frank A. Bilton. **Atlanta:** Joseph Cuba. **Savannah:** Paul A. Stein.

## IDAHO

**Boise:** John E. Jones, Wm. A. Olson. **Gooding:** James W. Giese.

## ILLINOIS

**Chicago:** Ralph Gilbert Conger, James W. Cumpton, Leland J. Kerman, Leonard Pressman. **Danville:** Clifford R. Kesler.

## INDIANA

**Indianapolis:** Donald Weinberg.

## IOWA

**Des Moines:** Harry Bernard Carlson. **Eldora:** Keith A. Jacobson. **Sioux City:** Lynn A. Arkin, Clayton L. Rise.

## KENTUCKY

**Lexington:** Lyman H. Everly. **Louisville:** Joseph R. Riedel, Melvin R. Youngblood. **Owensboro:** John Sargent Miller.

## LOUISIANA

**New Orleans:** David L. Goldstein, Leland S. Montgomery, Jr. **Shreveport:** Milton P. Burke.

## MARYLAND

**Baltimore:** Alan P. Gray, Christian S. Schoeberlein.

## MASSACHUSETTS

**Boston:** Charles A. Donovan, John T. Hanley, Robert E. Wise.

## MICHIGAN

**Detroit:** Donald Samuel Adam, H. A. Lezell, James A. Stoops, Bernard C. White.

## MINNESOTA

**Duluth:** Arnold F. Hofstad, Donald G. Wirtanen. **Minneapolis:** Paul B. Carlson, John M. Diracles, Jacob S. Heffter, D. A. Norby.

## MISSOURI

**St. Louis:** Michael B. Barken, Leslie C. Barnes, Herbert A. Graham, Jr., Dan B. Koslow, Harry George Pace, Walter Raymond Placht, Ralph W. Simon.

## NEW JERSEY

**Freehold:** W. Dunham Morey. **Irvington:** Rudolph A. Schober, Frederick J. Stefany. **Jersey City:** William P. Moran. **Livingston:** Sol I. Kevitz. **Newark:** Melvin C. De Leon. **Rahway:** Jacob S. Gurkin.

## NEW MEXICO

**Albuquerque:** Carl S. Hey, Jr., Gordon W. Paul.

## NEW YORK

**Albany:** Victor T. Dollery, Jr. **Buffalo:** George C. Garner. **Jamestown:** Erik S. Moeller. **New York:** Saul Bergman, Milton B. Berman, Morris M. Cahen, John Joseph Daly, Michael Dronsick, Francis C. Dykeman, Howard F. Elin, Jacob J. Fass, Frederick Grubel, Sidney E. Harry, William S. Horowitz, Mary Claire Jordan, Louis H. Klonsky, James B. Kobak, Philip M. Koch, Nathan A. Krasnow, Daniel J. Lynch, Hugh M. McNeill, Benjamin Orlin, Adolph August Platz, Dwight F. Smith, William W. Wernitz, Robert Louis Wissoker, David M. Zinn. **Rochester:** Charles L. Clapp.

## NORTH CAROLINA

**Asheville:** Perry M. Weaver. **Charlotte:** Asa C. Edwards, Jr.

## OHIO

**Cincinnati:** Doyle J. Fischvogt, Stanley E. Walker. **Cleveland:** E. L. Dumas, William R. Ealy, Sam Lessam. **Columbus:** Thomas L. Patten, Uel David Rankin, Wilber W. Wilson.

## OREGON

**Portland:** Edward W. Cleary, Harold L. Jones.

## PENNSYLVANIA

**Hazleton:** A. Sterling Learn. **New Holland:** Ralph Weber. **Norristown:** Stanley Rieger. **Oil City:** John S. May. **Philadelphia:** Richard J. Bryant, Douglas H. Campbell, Edward F. Habermehl, Frederic E. Lauder, Clement Perlman, Arthur H. Reese, William J. Robinson, Simon S. Vogel. **Pittsburgh:** Thomas L. George, Kelison R. Helms, George B. McDowell, Jr., Edwin Trembath, Jr. **Sharon:** Charles A. Spencer.

## TEXAS

**College Station:** Robert M. Stevenson. **Dallas:** Charles Henry Griffin. **Del Rio:** William D. MacKeen. **Denton:** C. B. Tate. **Houston:** Frank M. Allen, Joe Arnold Vitek. **Snyder:** Russell S. Yorgensen.

## UTAH

**Salt Lake City:** Alton B. Decker.

## VERMONT

**Montpelier:** Maurice J. Bertrand. **St. Albans:** Richard A. Kimball.

## WASHINGTON

**Colfax:** Harold D. Kirkpatrick. **Seattle:** Eugene E. Corbally. **Wenatchee:** L. W. Niemela.

## WISCONSIN

**Milwaukee:** Paul W. Eimermann.

## CANADA

**Villa St. Laurent, P.Q.:** Benjamin Pass.

## NEWS OF THE MONTH

*(Continued from page 1)*

South Dakota's annual meeting at Sioux Falls, and North Dakota's annual meeting in Grand Forks.

*Fifteen thousand members of the National Association of Master Plumbers just received the third in a series of pamphlets prepared jointly by their organization and the Institute public relations department. These booklets show how CPAs can help the small businessman to boost profits. The Institute is ready to assist other associations in producing similar booklets.*

A subcommittee of the committee on auditing procedure which is revising the pamphlet on audits of savings and loan associations has completed a preliminary draft. This text is being reviewed and the committee invites com-

ments from anyone interested. Copies are available on request.

In membership promotion, there has been no summer let-down. Administrative Secretary H. T. Winton sent a follow-up to 1,228 CPAs who had asked for AIA applications some time ago. A second blank and a list of recent accounting publications were enclosed.

Result: 210 applications.

The public relations staff recently arranged for publication of articles on CPA services to small businessmen in seven more magazines: *Baker's Review*, *Boot & Shoe Recorder*, *Commercial Refrigeration*, *Distribution Age*, *Hotel Management*, *Motor*, *Taxicab Industry*. Since the project started early this year articles have been published or accepted by 14 trade papers with a combined circulation of 367,575.

The  
**CPA**

The Certified Public Accountant  
270 Madison Ave., New York 16, N. Y.

**INSTITUTE OFFICERS**

PRESIDENT: J. Harold Stewart

VICE PRESIDENTS: Maurice Austin, George O. Carlson, James I. Keller, Jr., Maurice H. Stans

TREASURER: Charles H. Towns

EXECUTIVE DIRECTOR: John I. Carey

# The CPA

October 1950

MEMBERSHIP BULLETIN OF THE AMERICAN INSTITUTE OF ACCOUNTANTS



**Reports and Pictures on the 1950 Annual Meeting in Boston**



# Annual Meeting Draws 1600 to Boston



Andrew Stewart of New York, AIA defense committee member, welcomes Lt. Gen. Edwin H. Rawlings and his aides at the Boston airport.

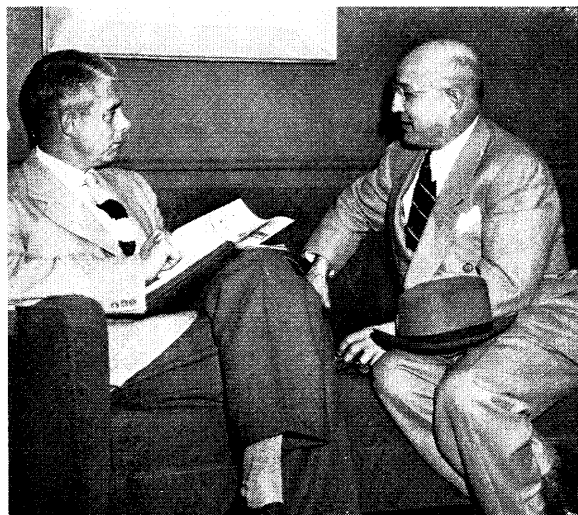


Hostesses: Mrs. Harold A. Mock (left) and Mrs. Richard S. Chamberlain—whose husbands have headed the Massachusetts Society.



Top: (L to R) Chairman Robert E. Witschey (W. Va.) confers with individual practitioners committeemen Harold H. Gilbert (Mich.), William D. Hayes (Me.), and Cyril N. Angell (Mass.).

Bottom: PR Chairman George E. Perrin (N. C.) chats with Executive Director John L. Carey.



When retiring president J. Harold Stewart pounded his gavel at the opening luncheon on Monday, October 2, registration of members and guests at the 63rd annual meeting of the American Institute was over 1,100 and late comers boosted this to 1,600. The meeting at Boston's Hotel Statler, October 2 to 5, emphasized social and recreational activities as well as technical sessions.

## Baseball—Reception

Many early birds reached Boston on the preceding Saturday and Sunday, eliminating week-end doldrums for members of the Institute staff and committees working on program details. A block of tickets for the baseball game between the New York Yankees and Boston Red Sox on Sunday afternoon had been snapped up weeks in advance. Later in the afternoon, early arrivals were entertained at a reception.

## National Defense—Tea Party

On Monday, October 2, the council met in executive session, and the Association of CPA Examiners in open session with President J. A. Phillips of Texas presiding, both in the morning and afternoon. At luncheon, H. Struve Hensel, former Assistant Secretary of the Navy and now a practicing attorney, spoke on "The Keystone of National Security—A Sound Global Plan."

The first technical session, on Monday afternoon, emphasized accounting problems in mobilization. Lt. Gen. Edwin H. Rawlings, comptroller of the Air Force, addressed the session, and was followed by a panel discussion in which Frank Roberts, Price Adjustment Board Chairman; Walter Frese of the General Accounting Office; Cornelius Lynde, a member of the Munitions Board; and Rear Admiral Hewlett Thebaud, Commandant of the First Naval District, joined members of the new AIA defense committee. The discussion covered such topics as organization of military establishment in relation to procurement, auditing, and renegotiation; manpower situation, Selective Service policies and

status of members of Reserves and National Guard; cost principles, admissible and inadmissible items, allocation of overhead between war and non-war business; auditing of cost-type contracts; present renegotiation requirements.

Members of the defense committee present at the meeting were: Chairman J. Harold Stewart of Massachusetts; George D. Bailey, Michigan; William M. Black, Harry E. Howell, Leslie Mills, Maurice E. Peloubet, and Andrew Stewart (presiding), New York.

An excellent social program, in the best New England tradition, was launched on Monday evening with a "Boston Tea Party" reception for members, ladies, and guests.

On Monday evening, also, state society officers considered state legislative problems in an open session at which Judge James Langan of Boston was the principal speaker. Experiences in sponsoring and opposing legislation dominated the discussion. Clinton W. Bennett of Massachusetts, chairman of the Institute committee on coordination of activities of state and national organizations, presided.

## Voting—Financial Reports—Pops

Tuesday's program opened with a general morning session at which Richard S. Chamberlain, president of Massachusetts CPA society and chairman of the Institute committee on meetings cordially welcomed members and guests. The Mayor of Boston also spoke briefly. There followed reports of the president, council, auditors, committee on by-laws; presentation of the Elijah Watt Sells Awards, and the election of officers.

On the recommendation of Council, the meeting passed a resolution opposing the issuance by the SEC of regulations establishing matters of accounting principle, and instructed the Executive Committee to take appropriate steps to inform the SEC of that opposition.

At the close of the business session, Colonel Robert H. Montgomery commended the progress of the Institute

under the administration of Executive Director John L. Carey, who joined the staff 25 years ago.

On Tuesday, also, the ladies' program went into high gear. There was a choice of two sightseeing tours, each occupying the greater part of the day: one to Duxbury, Plymouth, and other South Shore points, with luncheon at the nationally famous Toll House in Whitman; the other to Cambridge, Lexington, and Concord, with luncheon at historic Wayside Inn. Both tours were repeated on Wednesday.

Tuesday afternoon's program was devoted to financial reports with Joel D. Harvey of Massachusetts, chairman of the Institute committee on technical sessions, presiding. SEC Commissioner Edward T. McCormick discussed accounting problems confronting the SEC; Milton J. Drake, a vice president of the Detroit Bank and president of Robert Morris Associates, described a few banker's problems related to financial reports; William D. Cranstoun of New York, former member of the Institute's auditing and accounting procedure committees, discussed contrasts in reporting for widely held and closely held enterprises.

The "concept of independence" was analyzed by two speakers—SEC Commissioner Donald C. Cook, who presented the viewpoint of the Commission; and Edward B. Wilcox of Illinois, former Institute president, the viewpoint of the CPA.

Social event No. 2 was the special Tuesday evening concert for AIA members and their guests by the world-famous Boston Pops Orchestra, Arthur Fiedler conducting.

## Taxes

Wednesday morning's technical program was a clinic on today's tax problems. Chairman Wallace M. Jensen of Michigan, member of the Institute committee on federal taxation, introduced the following panel of speakers: Kenneth W. Bergen, director of the Federal Tax Institute in New England; H. Cecil Kilpatrick, chairman of the American Bar Association section

on taxation; Stanley S. Surrey, formerly Treasury tax legislative counsel, chief reporter for the American Law Institute income-tax project; John Messersmith of California, member of the San Francisco Tax Group; Walter A. Cooper of New York, former chairman of the Institute committee on federal taxation; and four present members of that committee: Robert Caldwell, Jr., of Pennsylvania; Harry D. Hopson, Texas; Charles Melvoin, Illinois; and Leslie Mills, New York.

Following the clinic, Commissioner of Internal Revenue George J. Schoeneman reviewed recent developments in federal taxation. Under Secretary of the Treasury Edward H. Foley was a special guest at this meeting.

## Client Relations

Five technical sessions were in progress simultaneously on Wednesday afternoon. At one on client relationships and accounting services to small business, Marion E. Barnett of Louisiana and John J. Harrington of Massachusetts presided as co-chairmen. Ralph J. Whiting, past president of the Indiana CPA Association, discussed development of an accounting practice; Samuel W. Price of Pennsylvania, member of several Institute committees, accounting and auditing services to banks; Robert E. Witschey of West Virginia, chairman of the Institute advisory committee of individual practitioners, additional steps necessary to certify accounts where CPAs currently supervise record-keeping; Lincoln G. Kelly of Utah, former Institute vice president, experiences with auditing Statement No. 23; Marquis G. Eaton of Texas, council member, opportunities for serving business in small communities.

## Public Relations

George E. Perrin of North Carolina, chairman of the Institute committee on public relations, presided at a public relations session and discussed highlights of the Institute's public relations program. He then introduced two

[Continued on page 8]



Trio from Virginia: Mrs. Johnson McRee (left) and Mrs. Alvin W. Burket with President T. Coleman Andrews of Richmond.



Harold Wald of Boston (with badge) introduces Floridians E. R. Sheldon (left) and Mrs. R. W. Ring to Wisconsin's Ed Benton and Carl Dietze.



Top: Chairman Samuel J. Broad (far right) opens accounting procedure committee session.

Bottom: Social meeting on the mezzanine (L to R)—Mrs. Harold R. Caffyn, Mrs. Clifton H. Morris, Mrs. William Kay, Lincoln G. Kelly, Mr. Morris, Mr. and Mrs. O. H. Maschek.



## At the Business Meeting

# Members Elect Officers, Approve By-Law Changes

The following officers and members of council for the fiscal year 1950-51, proposed by the committee on nominations, were elected on October 3.

### *President:*

T. COLEMAN ANDREWS, Virginia

### *Vice-Presidents:*

GORDON S. BATTELLE, Ohio  
RICHARD C. MOUNSEY, Washington  
FRANK L. WILCOX, Texas  
JOHN H. ZEBLEY, JR., Pennsylvania

### *Treasurer:*

HAROLD R. CAFFYN, New York

### *Council Members at Large:*

(Three year term):

CLINTON W. BENNETT, Massachusetts  
WILLIAM M. BLACK, New York  
MAURICE H. STANS, Illinois  
(For two year term to fill a vacancy)  
RALPH B. MAYO, Colorado  
(For one year term to fill a vacancy)  
THORNTON G. DOUGLAS, California

### *Members of Council:*

(Three year term)

J. D. P. ARNOLD, Alabama  
ROBERT L. MACREYNOLDS, California  
HENRY S. OWENS, Dist. of Columbia  
PAUL R. SMOAK, Florida  
ALEXANDER EULENBERG, Illinois  
CHARLES W. JONES, Illinois  
JOHN A. PEYROUX, JR., Louisiana  
PAUL J. ADAM, Missouri

ABRAHAM H. PUDER, New Jersey  
OLIVER W. SEIFERT, Ohio  
VIRGIL S. TILLY, Oklahoma  
JAMES C. GOLDRAINER, Oregon  
M. C. CONICK, Pennsylvania  
FRANK S. GLENDENING, Pennsylvania  
A. FRANK STEWART, Virginia  
E. WOODY KUHLMAN, Wisconsin

Five changes in the Institute by-laws, recommended by the committee on by-laws, were approved by Institute members voting in person or by proxy.

### **Broader Objectives**

Proposal No. 1 would amend the second sentence of Article I to bring the statement of purposes of the Institute up to date, in view of the broadened scope of activities since the present by-law was adopted.

### **Request for Special Meeting**

Proposal No. 2 would amend the second sentence of Section 1 of Article VIII to increase, from five to ten, the number of council members whose written request makes it mandatory for the president to call a special meeting. The reason for this proposal is the increased size of the council.

### **Trial Board Findings in CPA**

Proposal No. 3 would amend Section 4 of Article VI to provide for publica-

tion of trial board findings in The CPA, membership bulletin of the Institute, instead of *The Journal of Accountancy*.

### **Enlargement of Council**

Proposal No. 4 would amend Section 1 (a) of Article VII to enlarge the council from 48 to 72 elected members (in addition to state society presidents, past presidents, and nine council members elected at large), to afford more adequate representation of the growing number of Institute members and to permit continuous representation from some of the smaller states whose membership would not be large enough to justify an elected member of the council on the ratio basis which has generally governed the allotment, without depriving larger states of the proportional representation to which they are entitled.

### **Increase in Quorum**

Proposal No. 5 would amend Section 10 of Article XIII to increase, from 20 to 30, the number of council members constituting a quorum of council. This change was recommended because of the proposed increase in the number of elected council members.

The five proposed amendments will be submitted to the entire membership for a mail vote.



Chairman Alvin R. Jennings of the auditing committee reports to Council.

### **Harrington to Head CPA Examiners**

Russell C. Harrington of Providence, R. I., was elected president of the Association of CPA examiners during the Institute's annual meeting in Boston.

M. C. Conick of Pittsburgh and James E. Hammond of San Francisco were named vice presidents. Daniel Preston Williams of St. Louis was re-elected secretary.

The Association also agreed to appoint a committee to cooperate with the Institute's Board of Examiners.

# Andrews Cites Economy Need in Current Emergency

First, I want to thank you for the great honor you have today bestowed upon me. . . . Needless to say, you have made this the proudest moment of my life.

I should like to speak briefly about some of the matters that will command our attention as a profession during the coming year. . . .

I think it was natural that the rapid growth and development of our profession should lead to some apparent, if not real, conflict of interests along the way. . . .

One of the principal conflicts has grown out of the feeling of our friends of the legal profession that we have encroached upon their prerogatives. . . . I have been proud of the manner in which the American Institute of Accountants has dealt with this matter. We have approached it in a spirit of give and take . . . through the National Conference of Lawyers and CPA's. While this conference is not ready to report complete agreement, I believe that agreement is possible.

## Public Interest

We have also had basic differences with the uncertified public accountants. It seems to me that we certified public accountants must avoid developing the attitude that the CPA certificate is obtained as a matter of right. This is not the case at all. The certificate is a privilege—one that carries with it heavy responsibilities, not the least of which is the obligation to be alert to the public interest that we serve. . . . Those who demand the privilege of practicing without certification will say that this is a self-serving declaration. This reaction is only natural; so we must expect it. But we must take comfort and courage from our record, and from experience, which clearly shows that the public interest demands that this restriction be imposed. . . .

As public accountants, our principal characteristic is independence. . . . Deprived of our independence, we would be reduced to the status of artisans, and the public would be deprived of a service that has contributed mightily to the unequalled industrial, commercial, and financial eminence that our country has achieved.

There are only two ways by which we can lose this independence. One would be by failure to live up to the standards of skill and integrity that the public has the right to expect of us. Our record is too good to warrant anyone's regarding such an eventuality as being even conceivable.



T. Coleman Andrews

*“ . . . emergency has become normal . . . ”*

The other way in which we can lose our independence is by bureaucratic usurpation and virtual abolition of our function. This I do fear. The trend of political thinking and action leaves me no alternative. We must, therefore, firmly resolve to resist with vigor all proposals that threaten to take away or diminish the mainstay of our usefulness. . . .

Today we of the United States stand committed to the expenditure of billions of dollars every year at home and abroad for the sole purpose of protecting ourselves

## AIA Leaders on the Air

President Andrews and Mark E. Richardson, chairman of the federal tax committee for the last three years, recorded a 15-minute radio program which was broadcast on October 6 by Station WBZ—Boston's NBC outlet. This show was scheduled to be repeated over Station WRVA in Richmond, Va., on October 10.

Mr. Andrews' speech was also reported by several national radio commentators.

and our friends from the onslaught of Communism. Never before in all history has a people taken on such a burden. . . .

We devoutly hope that the Korean emergency is nearly over. But we are already in a deeper and even more serious emergency which may last for years. We might as well recognize now that “emergency” has become “normal”. . . .

## Calls for Sacrifice

Our defense program calls for sacrifice, not only on the battle front, but also on the home front; and I suggest that we are in for a long period of sacrifice. . . . We are told that, for a time at least, we may not expect “business as usual.” All right, let's cut back in that department of our lives. . . . But let's demand that those who call upon us to make this sacrifice give up “government as usual”. . . . Higher taxes? All right, so be it. But let's demand that public funds be spent for things we really need, without waste or duplication. We cannot carry the burden of defending ourselves and a large part of the rest of the world and carry also the burden of inexcusable waste and extravagance in the organization and management of our non-defense internal affairs without eventually breaking our backs.

This is not to say that the Government alone is sinful and that a brilliant halo encircles the head of business, for business has indeed behaved badly since the Communists struck in Korea on June 25th. Overnight the prices of many commodities were raised to unconscionable and unjustifiable levels. This wasn't just normal operation of the law of supply and demand. It was the old grab game of demanding what the traffic would bear in a seller's market. Immediately labor began to demand a cut in the take, the spiral of inflation started all over again, and the consumer, who has been taking it on the chin all too long, was again forgotten. . . .

Unless matters get a lot worse than they are now, however, we won't need controls if everyone—the government, business, labor, and you and I—plays the game according to the rules of good sportsmanship.

Particularly must we purge ourselves of the sins that we have committed in the name of “social justice,” get down to bare essentials, and devote all our resources and energy to defense. Let us get down to the basis of “Billions for Defense but not One Cent for Deficits.”

# Boston Album



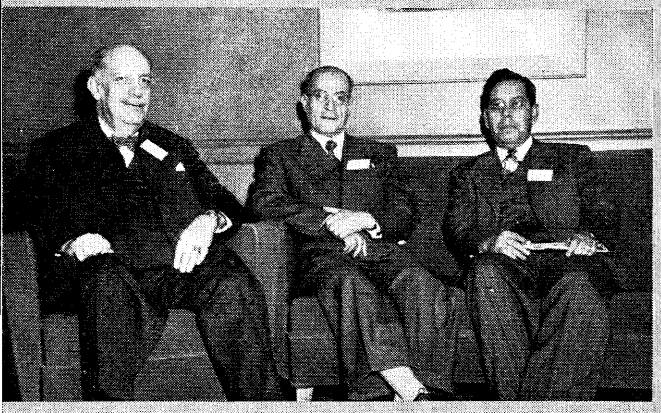
**RECEPTION:** One of the many entertainments arranged for members and guests was a reception (above) on Sunday for early arrivals.



**CLAMBAKE:** ... we were coming — so they baked a clam ... (two steamed lobsters per guest).



**WELCOME:** Ladies were greeted by (L to R) Mrs. E. M. Urquhart, Mrs. Ruth Welton, Mrs. H. W. Ellis, Mrs. R. S. Chamberlain, Mrs. E. Ober Pride and Mrs. J. B. Fyffe.



**MEXICAN GUESTS:** R. Casas Alariste, Luis G. Pastor and Ramon Cardenas.



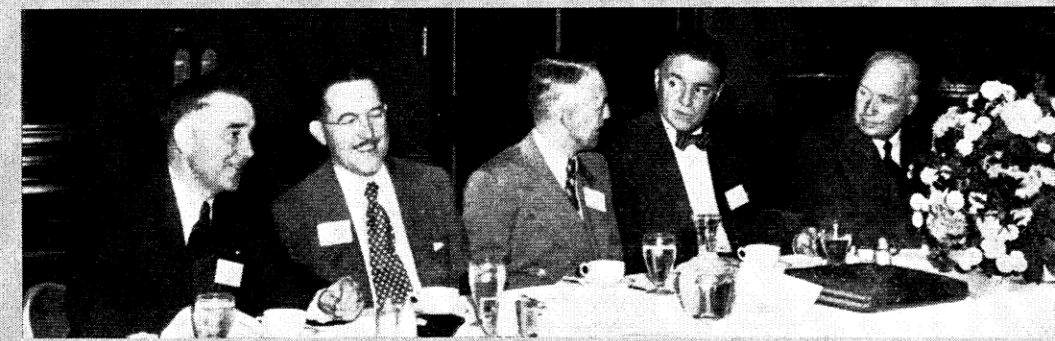
**SHOPPING:** Mrs. Joseph H. Williams, Mrs. John W. Queenan and Mrs. Paul K. Webster.



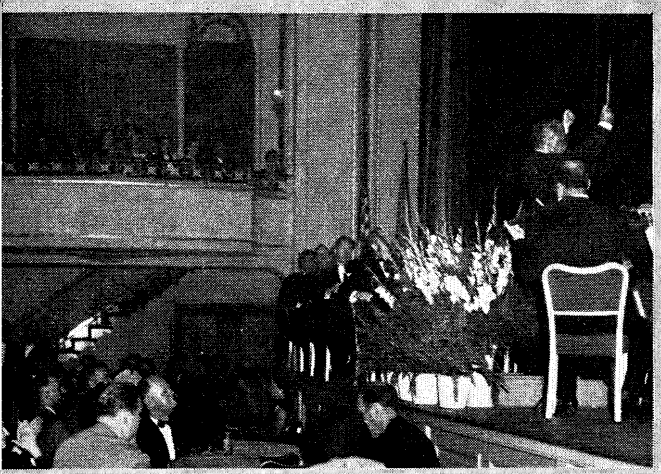
**SPEAKER:** H. Struve Her ... global strategy for pr...



**WORKERS:** Two who worked to make the meeting a success: Charlotte McLeod and Harold Mock.



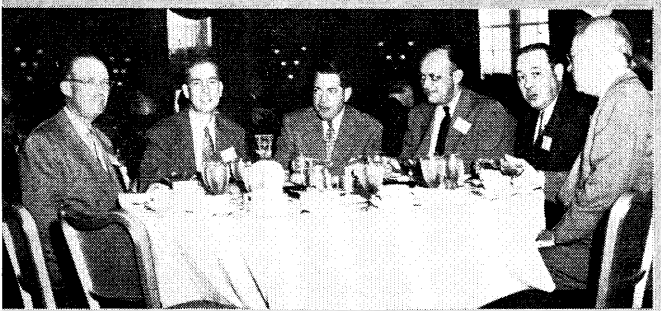
**PRESIDENTS' LUNCH:** (L to R) Kenneth J. Morrison of Canada, James I. Keller, Jr., T. B. Robson of England, T. Coleman Andrews and Mr. Stewart.



**CONCERT:** Arthur Fiedler conducts the Boston "Pops" Orchestra in a special concert for the annual meeting.



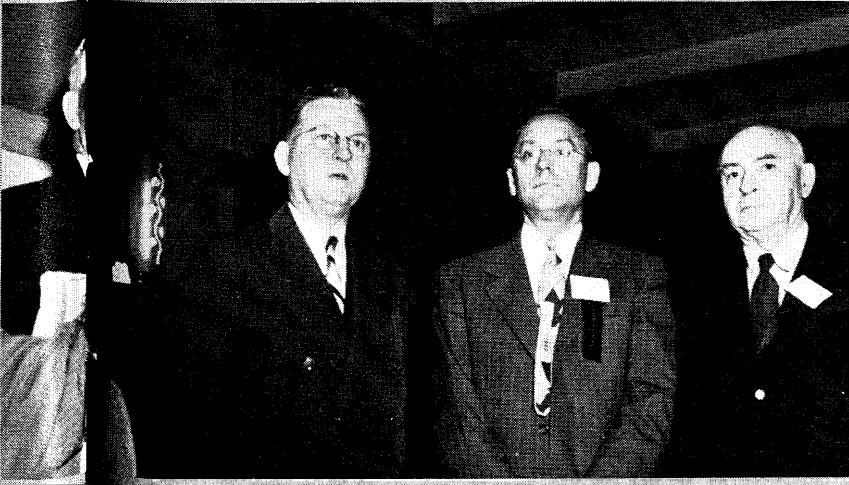
**VISITORS:** Mrs. Norman J. Lenhart and George A. Hewitt (far right), with J. Kraayenhof and H. D. de Leeuw of Holland.



**NOON BREAK:** H. T. Houston, J. P. Hodgkin, Stanley Harmon, B. J. Zucker, M. D. Moersh, T. A. Williams.



**DANCE:** (L to R) Dr. and Mrs. Thomas Hennessy; Mrs. C. Keefe Hurley and Mr. Hurley; Mrs. Anthony F. Kearney and Mr. Kearney.



**...** (L to R) Leo T. Foster, Mayor John D. Hynes of Boston, Chairman Richard S. Chamberlain, and Charles F. Rittenhouse.



**TOP BRASS:** Commissioner of Internal Revenue George J. Schoeneman (left) talks with Treasury Under Secretary Edward H. Foley.

# New CPAs Win Sells Awards

George Maxwell McCollister of Los Angeles won the Elijah Watt Sells gold medal for the highest grades in the uniform CPA examination in May, 1950. William Toumey Diss, Jr., of Denver, Colorado, runner up, won the silver medal. Three other candidates received honorable mention: Bruce P. Olson, Park Forest, Illinois; Bernard Ivan Forester, Tucson, Arizona; and Clyde Fleming Johnson, Indianapolis, Indiana.

Mr. McCollister is 21 years old, a graduate of the University of California at Los Angeles, and employed by Ira N. Frisbee & Co. in Beverly Hills. He took his examination before the California State Board. Mr. Diss is 22, a graduate of Regis College in Denver, Colorado, and employed by Ralph B. Mayo & Co. there. This Colorado candidate also received the highest grade in the Institute's national achievement test for college seniors last May.

The silver medal was presented to Mr. Diss, at the Institute annual meeting, by Donald P. Perry of Massachusetts, chairman of the Institute board of examiners. David F. Wentworth of Davenport, Iowa, winner of the silver medal in November, 1949, also received his award at that time. Neither Mr. McCollister nor John R. Herzfeld of Norman, Oklahoma, gold medalist in the November examination, could attend.

Successful contestants in the May, 1950, CPA examinations competed in a field of nearly 12,000 candidates; those in November, 1949, among more than 13,000.

## ANNUAL MEETING

*[Continued from page 3]*

speakers on public relations for a state society—Norman H. S. Vincent of Massachusetts, a member of the Institute public relations committee, and Clifford C. Beasley, managing director of Florida Institute of Accountants. Maurice Austin of New York, recent Institute vice president and an attorney, discussed relations with the legal profession.

At a session on institutional accounting Ralph S. Johns of Illinois (formerly of New York and New Jersey) presided and discussed accounting for educational institutions. Walter L. Bradley of New York, chairman of the Institute committee on cooperatives, described accounting problems of such organizations. Dr. Clarence Rufus Rorem, executive secretary of the Hospital Council of Philadelphia, spoke for hospitals.

Stock brokerage accounting was the topic of a session directed by Frederick A. Wulff of New York, chairman of the Institute committee on brokerage accounting. He read a paper by

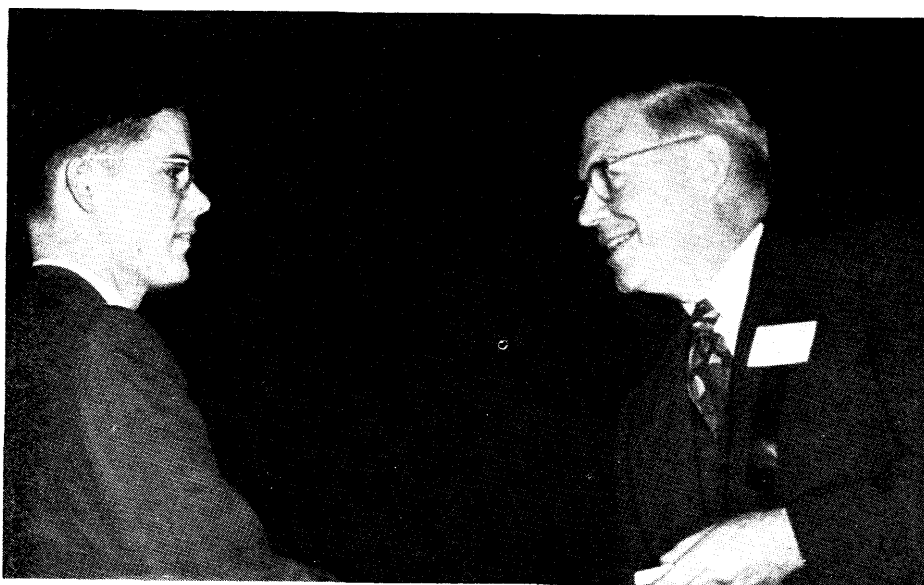
Michael J. LaPadula, assistant chief accountant, Trading and Exchange Division, SEC, on deficiencies in the presentation of information required by Form X-17A-5, uniform questionnaire for broker-dealers. Mr. LaPadula was unable to be present because of illness. Others on the program were: George A. Cuff, Chief Examiner for the New York Stock Exchange, who spoke on control and supervision of the financial condition of member firms; George Rieber, Secretary, District 13, National Association of Securities Dealers, who described the examination program adopted by his organization; Joseph J. Shanley, Chief Auditor, Business Conduct Committee, Chicago Board of Trade, who explained the Board's capital requirements and financial questionnaires.

The fifth simultaneous session, on accounting office operation, was in charge of Chairman Coleburke Lyons, past president of the Michigan CPA Association. A. Stanley Harmon, chairman of the Board of Governors of the Connecticut Society, spoke on problems of an accountant's office operation, and Lewis Lilly of California, former member of the Institute council, discussed report writing in the accountant's office.

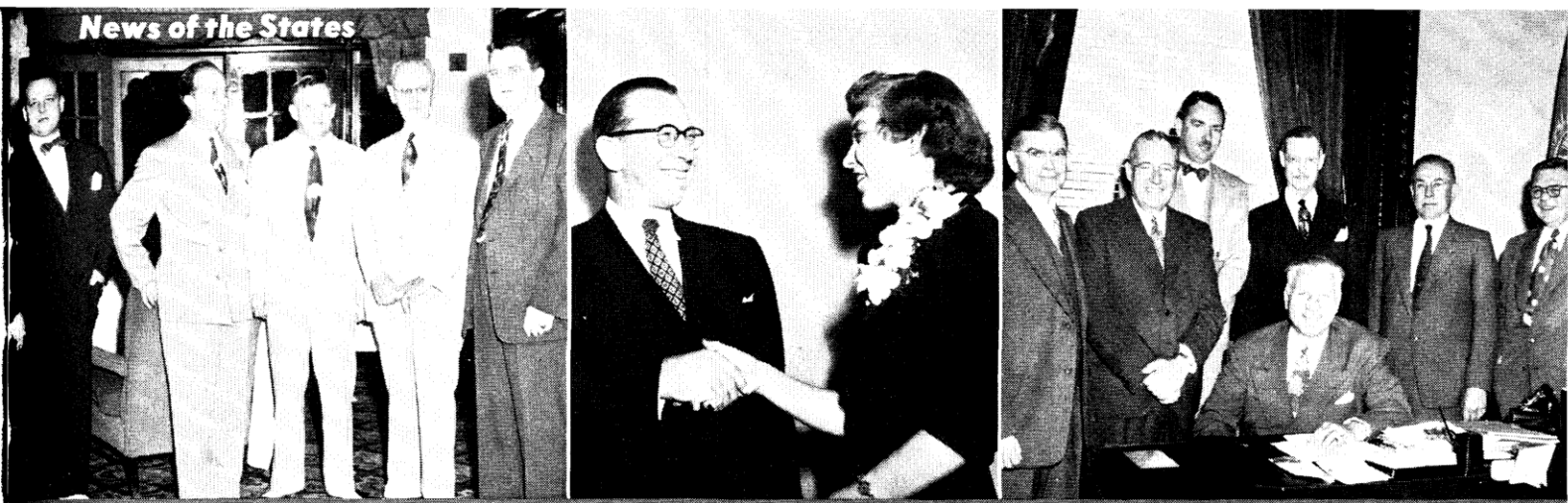
Wednesday evening marked the climax of the social program with a reception for members, ladies, and guests followed by a dinner and dance. After the dinner, new President T. Coleman Andrews thanked the Massachusetts Society for one of the Institute's finest meetings.

Thursday was devoted exclusively to an executive meeting of the new council, golf, and a tour of Marblehead, Salem, and the Massachusetts North Shore featuring an old fashioned New England clambake.

This description of the 63rd annual meeting is, of course, inadequate. The customary volume of proceedings, to be published and distributed within the next few months, will contain the full text of all papers presented at technical sessions. Unfortunately, it cannot capture the less tangible but lasting benefits resulting from the entertainment program, informal discussions, and revival of old friendships among Institute members.



Mr. Diss receives his silver medal from Chairman Perry in Boston



Left: Tennessee officers (l to r) Secretary David H. Hirsberg, Vice President Oliver Cobb, Jr., President C. Herbert Lockerby, Treasurer John T. Menefee, Retiring President Carl R. Counts. Center: Illinois President Jennings greets Jean Marie Kenney, new CPA. Right: Minnesota's gov-

ernmental accounting committee meets State officials. (l to r) George C. Ludolph, Chairman Lyle W. Hines, John R. Cowan, Joseph A. Boulay, Harold C. Utley, Earl Berg, State Commissioner of Administration. Seated: Governor Luther W. Youngdahl.

Minnesota's governmental accounting committee, pictured above, was appointed at the request of State officials to assist the Efficiency in Government Commission created by the Legislature last year. This committee has held weekly conferences at the Capitol. It is drafting a report which is expected to recommend extensive changes in the State's accounting and auditing systems.

**Attack Competitive Bids**

An educational program to eliminate competitive bids for accounting engagements has been initiated by California's committee on governmental accounting and auditing. A new booklet addressed particularly to such groups as public accountants, grand juries, boards of supervisors, city councils, and professional organizations reports that competitive bidding is prohibited by CPA societies or Boards of Accountancy in at least 14 states.

**North Carolina Plans Symposium**

National leaders in the accounting and legal professions and in industry will address North Carolina Association's eleventh annual symposium on accounting and taxation, at the University of North Carolina and nearby Duke University, November 16-18. Among them are American Institute President T. Coleman Andrews and Research Director Carman G. Blough.

For a program write to North Carolina Association of CPAs, Box 1193, Chapel Hill.

**New Degree in Mississippi**

The University of Mississippi and Mississippi State College have been authorized to grant a new degree in accounting designated as Master of Professional Accountancy. Candidates will be encouraged to offer experience as one of the qualifications for the degree.

**New Yorkers Like Publications**

Eighty-five per cent of 1,600 New York Society members, answering a mail questionnaire, checked publications as among the Society's "most useful services." Legislative activities ranked second. Of those replying, 78 per cent said a basic booklet about CPA services for small businessmen would be helpful. A substantial number indicated that they would like to participate more actively in Society affairs.

**New Milwaukee Office**

Wisconsin's Milwaukee Chapter has opened an office at 152 West Wisconsin Avenue, and appointed Miss Camilla Ebert as a full-time administrative assistant.

**State Society Presidents**

New York: Maurice E. Peloubet, New York City . . . North Dakota:

O. A. Eide, Fargo . . . Ohio: C. Weldon Barstow, Dayton . . . South Dakota: Henry A. Scholten, Sioux Falls . . . Tennessee: Charles H. Lockerby, Chattanooga . . . Virginia: Edward I. Hardy, Richmond . . . Washington: H. W. Verhoef, Seattle.

**Accounting Hints for Retailers**

A booklet for small retailers, *Profitable Operation through Accounting*, has just been published by the New York State Commerce Department with the assistance of the state CPA society. It describes services furnished by the public accounting profession.

**Fall CPA Examination**

The fall uniform CPA examination prepared by the Institute and offered by state boards of accountancy, is scheduled as follows:

Accounting Practice, Part I—Wednesday, Nov. 8 (1:30 to 6 PM)

Theory of Accounts—Thursday, Nov. 9 (9 AM to 12:30 PM)

Accounting Practice, Part II—Thursday, Nov. 9 (1:30 to 6 PM)

Commercial Law—Friday, Nov. 10 (9 AM to 12:30 PM)

Auditing—Friday, Nov. 10 (1:30 to 5 PM)

The spring examination will be held May 16-18, 1951.

## Women Accountants Install New Officers

Institute members were installed as presidents of two national women's accounting organizations at their joint annual meeting in New York City, September 29 - October 1.



Miss Moore



Mrs. Dimmer

Miss Edith Moore of Chattanooga, Tennessee, is the new national president of American Woman's Society of Certified Public Accountants. Mrs. Grace H. Dimmer of Detroit holds a corresponding position in its affiliated group, American Society of Women Accountants.

## New Annual Report Study

The fourth yearly analysis of corporate annual reports, prepared by the Institute research staff, will be published about November 1. It follows a detailed study of reports published by 525 representative corporations with fiscal years ending between July, 1949, and June, 1950, and includes comparable statistics for this group of identical companies over a four-year period. Numerous excerpts, references, and comments based on a review of 600 additional reports indicate current accounting practices and trends. The new volume entitled *Accounting Techniques in Published Corporate Annual Reports (1950 Edition)*, sells for \$10, same as last year.

## Handbook Ideas Invited

A representative group of several hundred Institute members in public practice, with two to fifty employees, has been asked by Chairman Maurice H. Stans of the committee on CPA Handbook for suggestions on the contents. Replies will be tabulated to assist the committee and the editor, James L. Dohr.

## Applicants Recommended for Admission

The committee on admissions recommends admission of 148 applicants for membership in the Institute—33 who have been accorded credit for having passed examinations acceptable to the committee, and 115 who have passed the uniform examination for the CPA certificate in participating states.

These applicants do not become members until voted upon by Council and declared elected by the president. If protest is to be made against any applicant on the list it should reach the office of the Institute on or before October 31, 1950.

### ALABAMA

Birmingham: J. Eugene Plotka.

### ARKANSAS

Little Rock: Sidney Hornor Phillips.

### CALIFORNIA

Beverly Hills: Saul Braverman, Wm. A. Grossman, Kenneth Leventhal. Culver City: Chas. L. Thomas, Jr. Los Angeles: Arthur S. Cagan, Fred A. Goulette, Morton N. Hahn, Stanley Salmore. San Francisco: Roy Ellsworth Combs, James N. Donovan, Robert D. Frank.

### COLORADO

Denver: Geo. N. D. Bromley, James VanderLaan.

### CONNECTICUT

Hartford: David Schwartz. New Haven: Kathryn Sagal. South Norwalk: Isadore M. Mackler.

### DELAWARE

Wilmington: William J. Evans.

### DISTRICT OF COLUMBIA

Washington: Grady F. Campbell, Alan M. Johnson, Jr.

### FLORIDA

Gainesville: William M. Patton. Miami: Christian A. Tait. Tallahassee: Abner Avirett, Jr.

### GEORGIA

Atlanta: Thomas V. Bumbarger.

### ILLINOIS

Chicago: V. J. Cavanaugh, F. Bruce Davey, James J. Houlihan, Aren A. Lewis, J. D. McCallum, John William Popp, William R. Woelfel, William G. Wolters.

### INDIANA

Goshen: Daniel L. Chiddister.

### KANSAS

Topeka: Kenneth A. Fleming.

### KENTUCKY

Louisville: Stanley H. Bergmann, Allen R. Gallo-way, O. F. Layten, James F. Queenan.

### LOUISIANA

Monroe: James B. Bradley, Jr. New Orleans: Jacob Haney, Jr. Shreveport: Shirley Raymond Simmons.

### MARYLAND

Baltimore: Albert Hyatt, Frank Z. Oles.

### MASSACHUSETTS

Boston: Earl A. Beatty, Albert Bowman, Charles M. Doyle, Hugh Dysart, Jr., George P. Kanavich, Edward G. Melaugh, Ernest O. Wood. Worcester: George Cagan.

### MICHIGAN

Bay City: Carl F. Schilling. Detroit: Donald R. De Waard, Samuel Geller, Everett M. Hawley, Jr., Mary Gertrude Hindelang, Paul Kelman, Glen W. Lewis, George B. Roberts, Jr.

### MINNESOTA

Willmar: E. P. Latham.

### MISSISSIPPI

Jackson: Paul N. Jorgensen. Natchez: Frank L. Byars.

### MISSOURI

Columbia: Jay A. Williams. Kansas City: Raymond W. Snyder, Wendell W. Wenstrand. St. Louis: Kenneth Joseph Bauer.

### MONTANA

Billings: Richard J. Gardner. Great Falls: William G. Baucus.

### NEW JERSEY

Newark: Francis A. Clooney, Benjamin Coleman, Richard K. Puder. Wildwood: Bernard Wogan.

### NEW MEXICO

Albuquerque: Wilbur S. Squire.

### NEW YORK

Albany: Howard M. Kahn. Brooklyn: Herbert A. Funke. New York: Godfrey L. Augustus, Benjamin S. Bergman, Henry Brout, Fred M. Dudley, Jr., Irwin Gertz, Oscar Gruenfeld, Arnold Goshin, Max Grossman, Herman W. Hinkes, Louis J. Loren, O. Arnold Olson, Joseph W. Owens, Herman Plancher, Sidney H. Siegel, Allen H. Toby. Rochester: Carl Edwin Samuelson. Utica: John A. Moore.

### NORTH CAROLINA

Charlotte: Lat W. Purser, Jr., J. William Stewart, Jr. Greensboro: Paul M. Carruthers. Southern Pines: Garland McPherson.

### OHIO

Barnesville: Frank E. Damsel. Cincinnati: L. C. Beal, Lenwood F. Maurer, F. A. Voglewede. Cleveland: J. R. Killpack, Carl George Lehmann, Harvey Blair Pettit, Jr., Francis T. Sroka. Dayton: William L. Gans. Toledo: R. J. Brotje, Jr.

### OKLAHOMA

Seminole: David L. Swearingen.

### OREGON

Eugene: Wayne R. Atwood. Portland: Lester J. Cornely.

### PENNSYLVANIA

Clifton Heights: James J. Murphy. Harrisburg: Leonard D. Goldring. Philadelphia: Paul Eisenberg, Charles S. Fischer, Samuel M. Fisher, Milton H. Harvey, V. Harold Hill, Reber E. Horne, Frank J. Keenan, Daniel Maloney, Earl Warren Manter, Lewis A. G. Martorano, Francis J. Rainer, William Yuschak. Pittsburgh: Mark D. Larkin, Francis H. Hughes, Robert William Moore. Sharon: James A. Elliott.

### RHODE ISLAND

Providence: Newton B. Cohn.

### TENNESSEE

Memphis: William D. Spear, Jr.

### TEXAS

Corpus Christi: Wm. B. Cox, Jr. Dallas: Guy Myrph Foote, Allen Gano, John L. Morrison, Jr., C. L. Taylor. El Paso: James M. McCleskey, Jr. Houston: James B. Griffin, Herbert E. Orwig.

### VERMONT

Bellow Falls: A. Lester Brown.

### VIRGINIA

Bristol: Robert E. Dye.

### WASHINGTON

Bellingham: Lee J. Adamson, G. R. Bussanich. Seattle: Donald L. McIntosh, Frank V. Sincok.

### WEST VIRGINIA

Huntington: C. G. Villars, Jr.

### WISCONSIN

Milwaukee: Frank V. Birch, Samuel K. Chortek.

### HAWAII

Honolulu: Samuel Cho.

# Cook Named to Aid Senate Group

Donald C. Cook of Washington, D. C., vice chairman of the Securities and Exchange Commission, has been appointed Chief Counsel to the preparedness subcommittee of the Senate Committee on Armed Services. This assignment will not affect his responsibilities with SEC.



Mr. Cook

Leonard L. Abess of Miami Beach, Florida, has been elected president of Dade County Community Chest. James I. Keller, Jr., of Miami, former Institute vice president, is chairman pro-tem of the board of directors.

Robert T. Allen, Newark, has been appointed chairman of the accounting advisory committee of New Jersey Association of Credit Executives in that city.

Ronald Mattox of Madison, Wisconsin, is a member of the admissions and distribution committee of United Givers' Fund. This committee screens local, state, and national welfare agencies for admission to Madison's new coordinated fund-raising organization, reviews their budgets, policies, and services; and recommends allotments to cooperating groups.

Howard P. Nicholson of Syracuse, New York, is president of the local Rotary Club.

Roy L. Wallace of Gadsden, Alabama, has been elected Mayor of that city.

Edward B. Wilcox of Chicago represented the American Institute at the nineteenth annual meeting of Controllers Institute, September 17-20.

## Speakers and Authors

William M. Black, New York City, is the author of an article entitled "How Auditors Can Help Directors" in the September issue of *Banking*.

Dwight M. Brown of Shreveport, Louisiana, discussed "Tax Consequences of Real Estate Transactions" for the Ark-La-Tex Tax Institute, in Shreveport, August 21.

George Cochrane, New York City, addressed the annual summer course conducted by the Institute of Chartered Accountants in England and Wales, at Oxford University, September 7-12.

R. F. Gates of Shreveport, Louisiana, addressed the Junior Chamber of Commerce there on August 14.

## In Military Service

Sidney David Carp, New Orleans, La., 1st Lt., Finance Corps, US Army

Jack E. Foulds, Denver, Colo., 2nd Lt., 3312 Training Squadron, Air Force

William Gips, New York City, Finance Officer, US Army

Frank Giffin, Meridian, Miss., Air Force Reserves

Charles Steinbock, Jr., Baltimore, Md., Captain, 376th Engineer Construction Battalion, US Army Reserve

## Accounting Teachers Elect AIA Members

The American Accounting Association elected several Institute members to office at its annual meeting in Boston in September.



Mr. Garner

They include President S. Paul Garner of University of Alabama; Vice President Russell H. Hassler of Harvard Graduate School of Business Administration;

Vice President John W. McEachren of Detroit, partner in Touche, Niven, Bailey & Smart; and Secretary-Treasurer Charles J. Gaa of University of Illinois, who was re-elected. Frederick A. Horn of Columbia University was also elected a vice president.

Educational Director Robert L. Kane, Jr., and William S. Papworth, managing editor of *The Journal of Accountancy*, attended the meeting.

Dwight M. Brown announces dissolution of the partnership of Brown and Hayes, and the opening of an office under his own name at 623 Giddens-Lane Building, Shreveport, La.

Fagan J. Cox, Harry G. Frazer and Williams O. Webb announce a change in their firm name from Cox and Frazer to Cox, Frazer and Webb, 708 Ouachita National Bank Building, Monroe, La.

George H. Emery has admitted Plummer F. Jones, Jr., to partnership and will conduct an accounting practice under the name of George H. Emery and Company, 301-308 Stearns Building, Statesville, N. C.

Maurice S. Hahn has opened an office at Suite 205, Masonic Temple Building, Niles, Michigan.

Walter D. Hammar announces the opening of an office at Room 208, California Bank Building, Reseda, California.

Hurdman and Cranstoun, 43 Broad Street, New York City, have admitted Matthew F. Blake and John C. Hurdman to partnership.

William P. Hutchison and Lawrence N. Jolma announce that the firm of Hutchison, Jolma & Company is now at 510 United States National Bank Building, Portland, Ore.

Albert Kreekun has established a public accounting practice at 1016 Maccabees Bldg., Detroit 2, Mich.

M. E. Lewis has moved his office to Suite 807 Petroleum Building, 714 West Olympic Boulevard, Los Angeles 15, Calif.

Peisch, Angell & Company, Norwich, Vermont, has dissolved by mutual agreement. Archibald M. Peisch and George W. Smith will continue to practice under the name of Archibald M. Peisch & Company. Cyril N. Angell and Howard R. Cole will practice under the name of Cyril N. Angell & Company in Boston, Mass.

L. F. Ream, Emmett W. Martin, Roger R. Cloutier and Robert B. Sanderson have formed the firm of Ream, Martin, Cloutier & Sanderson with offices at 706 Savings and Loan Building, Des Moines, Iowa.

C. E. Reinhardt and Boyd Roebuck have formed a partnership under the firm name of Reinhardt and Roebuck, 2015 Union Central Building, Cincinnati 2, Ohio.

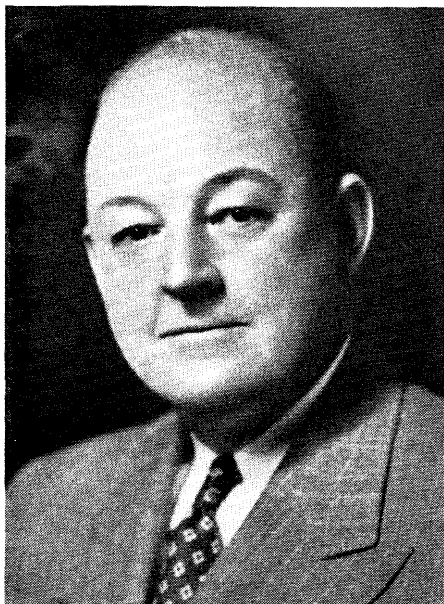
Seidman & Seidman have established a Detroit office, in the Penobscot Building, in charge of D. M. Johnson who was previously with the Grand Rapids office.

Touche, Niven, Bailey & Smart, New York City, have admitted William W. Werntz to partnership.

Layton W. Yancey has opened an office at 17 Court Place, Staunton, Va.



# AIA Council Member McCoy, Legal Adviser Gordon Die



**J. Robert McCoy, Jr.**

A member of the Institute council and committee on professional ethics, **J. Robert McCoy, Jr.**, of Los Angeles, died of a heart attack in his office on August 31 at the age of 48. Mr. McCoy, an American Institute member since 1933, had served on several committees including those on nominations and membership. He was a CPA of Missouri, California, Oregon, Utah, and Virginia; past president of California CPA Society and its Los Angeles Chapter; member of the California State Board of Accountancy; and a former president of Los Angeles Chapter, National Association of Cost Accountants.

Mr. McCoy, resident partner of Peat, Marwick, Mitchell & Co. in Los Angeles, was born in Kansas City, Missouri. He began his business career as a bank teller and bookkeeper, entered public accounting practice in 1919, and in 1925 joined the Kansas City office of the firm with which he was associated until his death. He became head of its Los Angeles office in 1933, and a partner in 1942.

**Spencer Gordon** of Washington, D. C., legal counsel for the Institute and a senior partner in the law firm of Covington, Burling, Rublee, O'Brien & Shorb, died in Johns Hopkins Hospital, Baltimore, on September 12 at the age of 63.

Mr. Gordon, a native of Washington, held degrees from Princeton and George Washington Universities. In 1912 he was admitted to the District of Columbia Bar, and later became a member of its board of

directors. He was chairman of the Committee on Admissions and Grievances of the United States Court of Appeals and, in 1949, was recommended by the District Bar Association for nomination to the Appeals Court bench.

For more than 25 years the Institute made no important decision involving legal implications without the benefit of Spencer Gordon's advice. He represented the accounting profession on numerous occasions before courts, Congressional committees, and Government agencies; assisted in drafting and presenting statements on such legislation as the Administrative Practitioners bill, Tax Settlement Board bill, Tax Court bill, and Wage and Hour bill; and filed briefs for the Institute, as friend of the court, in the *Bercu* case.

Through regular attendance at annual Institute meetings and midyear council meetings, Mr. Gordon won the friendship of hundreds of Institute members who respected and admired him.

**Aloysius Congdon** of Omaha, past president of Nebraska CPA Society, died in Encinitas, California, on August 20 at the age of 64. He was a partner in the CPA firm of Congdon, O'Hara & Becker, of Omaha, but went to the Pacific Coast last December because of ill health. Mr. Congdon, a native of Michigan, began his business career as a clerk for the Union Pacific Railroad at the age of 16. In 1916 he entered public accounting practice with the John M. Gilchrist Co. of Omaha and, in 1933, became a partner of Frost, Congdon & O'Hara there.

**Lon M. Fletcher**, 61, of Albuquerque, New Mexico, an Institute member since 1934, died September 3. He was a member



**Spencer Gordon**

of the New Mexico Society of CPAs, and the first candidate in that state to pass the uniform CPA examination. Mr. Fletcher was born in Carthage, Illinois. He entered public accounting in 1924 with Linder, Burk & Schmader of Albuquerque, and at his death was associated with his son in the partnership of Fletcher & Fletcher.

**Thad J. Schuler**, 46, of Louisville, Kentucky, died of a cerebral hemorrhage in his office on September 4. He had been a partner in the CPA firm of Brown and Imhoff and a member of the American Institute for 15 years. Mr. Schuler, a native of Louisville, attended public and parochial schools there. He was a director of Kentucky Society of CPAs.

## AIA Membership Passes 16,000 Mark

Institute membership at press time was 16,061. Growth is due largely to efforts of the nationwide membership committee and to state CPA societies.

Gordon Ford, Kentucky committee member, recently wrote to all non-member CPAs in his state about various Institute services. Referring to *The Journal of Accountancy*, *CPA Yearbook*, accounting and auditing bulletins, annual meeting proceedings, and other publications, he said: "No professional accountant can afford to be without these tools."

President George J. Covalt of Vermont Society reports that 100 per cent of its 17 members belong to the Institute. He challenges other states to match this record.

The  
**CPA**

**The Certified Public Accountant**  
270 Madison Ave., New York 16, N. Y.

**INSTITUTE OFFICERS**

**PRESIDENT: T. Coleman Andrews**  
**VICE PRESIDENTS: Gordon S. Battelle,**  
**Richard C. Mounsey, Frank E. Wilcox,**  
**John H. Zebley, Jr. TREASURER: Harold**  
**R. Coffyn, EXECUTIVE DIRECTOR: John**  
**L. Carey.**

# The CPA

November 1950

MEMBERSHIP BULLETIN OF THE AMERICAN INSTITUTE OF ACCOUNTANTS

## ANALYSIS OF EXAM RESULTS

A college education plus some public accounting experience appears to be the best preparation for a CPA candidate, according to an analysis of 1,400 who took last November's examination just completed by AIA Education Director Robert L. Kane, Jr.

This report, fourth in a series, generally confirms conclusions of previous studies including the following:

1. Experience in public accounting, up to four years, increases the candidate's chance of passing. It seems to be most beneficial in auditing, least beneficial in law.
2. More education increases the chance of success.
3. Most candidates who qualify for the certificate pass all subjects within

three attempts. The second try produces the largest number of winners.

4. There is no substantial evidence that accounting majors in college have any important advantages over other students whose courses include thorough training in accounting.

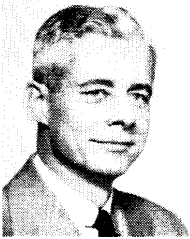
All these conclusions are tentative and subject to revision as additional studies are completed. A few copies of the recent analysis are now available.

An advisory committee on uniform CPA examination, appointed by the Institute president, will assist the board of examiners by preparing suggested problems and questions and by submitting advice and criticism. This group is expected to reduce the workload of the board.

## INSTITUTE ROUND-UP

by John L. Carey

Since this bulletin has changed its name and face, and filled itself up with pictures, it's been hard to get a word in edgewise. Suddenly it has been discovered that I have not made an informal report in these columns for nearly six months.



Mr. Carey

Lots of interesting things have been going on lately and not all of them get into the formal reports. This is an effort to round up some of the things you might like to know.

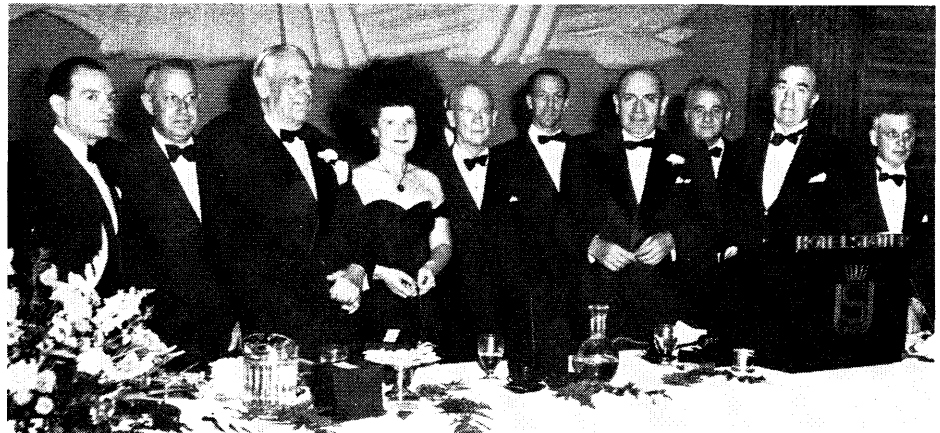
### CPAs in Armed Forces

Since Selective Service isn't calling men over 25, or as yet veterans and married men, the draft hasn't made heavy inroads on accounting staffs. But many reservists are being called. Nearly two months ago the Institute wrote the Labor Department's committee on essential activities requesting that CPAs be added to the list of critical occupations, and accounting services to the list of essential activities, which have been promulgated as a basis for occupational deferments of reserve officers and National Guardsmen. Later the committee asked for more supporting data. The answers were filed October 25. Now an oral hearing has been arranged.

Through contacts with top military channels, the Institute is trying to insure that CPAs who notify us that they

[Continued on page 2]

## JUDGES JOIN WINNERS AT FINANCIAL WORLD DINNER



AIA Research Director Carman G. Blough was one of the judges who selected the winners among more than 5,000 corporate annual reports submitted in the tenth annual "Oscars of Industry" competition sponsored by the magazine *Financial World*. On October 31, he joined fellow judges and successful contestants at the Annual Awards Dinner in New York City's Hotel Statler. (L to R) John H. Watson, III (judge), National Industrial Conference Board; Elmer C. Walzer (judge), Financial Editor, United Press; Alfred P. Sloan, Jr., chairman of General Motors

(gold trophy winner); Mrs. Denny Griswold (judge), publisher of *Public Relations News*; Dr. Lewis H. Haney (chairman of board of judges), Professor of Economics, New York University; Guy Fry (judge), president, National Society of Art Directors; Alfred Epstein, president and chairman, Pfeiffer Brewing Company (award winner); AIA's Carman Blough; R. H. Davis, president, Atlas Steels, Ltd., Welland, Ontario, Canada (winner of the Canadian award); R. T. Donald, assistant secretary, Brazilian Traction, Light & Power Company (winner of the Latin American award).

## Bennett Writes for ASME Book

Clinton W. Bennett of Boston is the author of a chapter entitled "How to Do and Use Accounting" in *Small Plant Management Techniques*, a 500-page volume prepared under the auspices of the American Society of Mechanical Engineers, published by McGraw-Hill.



Mr. Bennett

William M. Black of New York City wrote "An Auditor Looks at Bank Examinations" for the October issue of *Banking*.

Mortimer Lasky of Norfolk, Va., has contributed a series of articles on hotel accounting currently appearing in *The Hotel Greeter*.

George L. Macha discussed "The Auditor's Responsibilities" in *Midwest Hotel Reporter* for Sept. 15.

### Speakers

J. D. P. Arnold, Birmingham: Associated Industries of Alabama; Fairfield Kiwanis Club.

Samuel J. Broad, New York City: Annual Reports Forum, sponsored by University of Michigan and Wayne University.

Hal Canary, Memphis, Tenn.: Memphis Advertising Club.

William R. Donaldson, New York City: Joint meeting of Chamber of Commerce and other civic organizations, Patchogue, Long Island.

Carl M. Esenoff, San Diego; Cyril Hopkinson and Robert L. Spencer, both of Los Angeles: Third Annual Institute on Federal Taxation, sponsored by the University of Southern California.

### Other Honors

Conrad T. Bjornlie, Great Falls, Mont.: Subject of biographical "success story" in September issue of the magazine *Personal Efficiency*, published by LaSalle Extension University.

Percival F. Brundage, New York City: Head of special gifts committee for the 30th annual Community Chest

campaign in Montclair, New Jersey, where he lives.

Edmund A. Clarke, Cleveland: Represented American Institute of Accountants at third annual meeting of Institute of Newspaper Controllers and Finance Officers.

Charles J. J. Cox, Los Angeles: President, LA CPA Toastmasters Club.

Earle B. Fowler, Louisville, Ky.: Chairman of Jefferson County's 1951 March of Dimes campaign.

Royal H. Frost, Jr., Shreveport, La.: Vice President, International Association of Y's Men's Clubs, affiliated with YMCA.

J. Douglass Medley, Milwaukee: Member of committee on arrangements for Institute on Taxation at Marquette University.

Charles F. Rittenhouse, Boston: Chairman of alumni committee conducting Northeastern University's \$1,500,000 Library Building Fund Campaign.

### In Military Service

Fred J. Held, Hamilton, Calif., Major, Hq. Sq. 4th Air Force.

Horace J. Landry, Syracuse, N. Y., Lt. Commander, USNR, Office of Naval Material, Washington, D. C.

### Nineteen State CPA Groups Plan Regional Conferences

At least 19 state CPA societies will participate in regional accounting conferences next spring.

Programs already scheduled are Middle Atlantic States Accounting Conference, combined with Maryland Association's 50th anniversary celebration, in Baltimore, May 24-26; Southern States Accountants Conference in Tulsa, Okla., June 2-6; and Northwest Accounting Conference in Portland, Ore., June 21-23.

New England states and those in the Great Lakes area are also considering regional conferences in 1951.

**ROUND-UP** [Continued from page 1] are recalled to the service are assigned to auditing and accounting jobs in which their professional qualifications can be most useful.

### Excess Profits Taxes

Institute tax committee representatives met by invitation with Treasury and Congressional experts in mid-October to discuss technical aspects of a possible excess-profits-tax law. The subcommittee on current legislation met for two full days, October 23-24, to prepare a written statement on the subject which was filed with the government experts. A statement on the same subject is now being written for filing with the House Ways and Means Committee whose hearings open November 15.

The committee had had the benefit of the views of many state society committees who responded to a questionnaire on the subject in September.

### Dun & Bradstreet Questionnaire

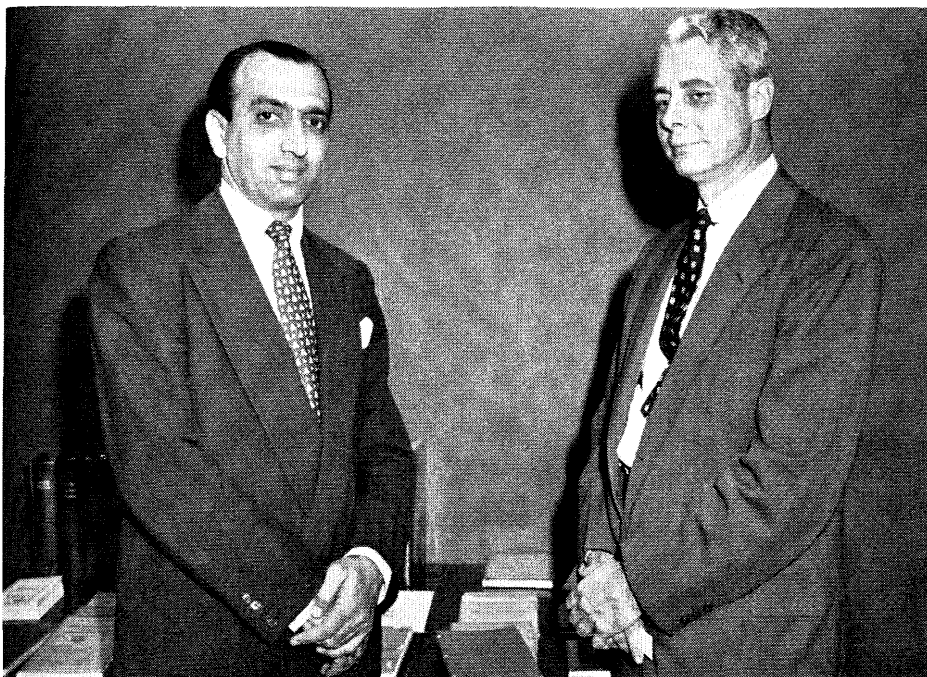
As a result of discussions between Institute and Dun & Bradstreet officials, the latter's questionnaire to business concerns for financial data as a basis for credit reports has been significantly altered. The concerns are to be invited to submit full copies of independent auditors' reports instead of filling out the D & B financial-statement forms. If the forms are filled out, the firm is asked whether the books are audited independently; and if so, whether the auditor is a certified public accountant, and whether the figures in the form conform to the certified statements. A copy of the auditor's certificate is to be requested in order to see whether there are qualifications.

This may prove to be a long step in making commercial credit grantors more conscious of independent audits and auditors' opinions. Statement No. 23 had a lot to do with Dun & Bradstreet's decision.

### SEC Regulation S-X

Proposed amendments to Regulation S-X which would establish accounting principles were objected to in a resolution ratified by the Institute at the annual meeting. The views of Institute committees on which the ob-

[Continued on page 3]



A distinguished accountant from India—N. R. Mody of Bombay, member of council of The Institute of Chartered Accountants of India—calls on Executive Director Carey at the Institute office to discuss current professional problems.

## ROUND-UP

[Continued from page 2]

jection is based have been presented in writing by the Institute's research director to the Chief Accountant of the SEC. The president of the Institute has also conferred with the Chief Accountant and is requesting an opportunity for representatives of the Institute to discuss the question with the full commission.

## Committee Appointments

The appointment of some 400 committee members to nearly 40 committees is a tremendous job. Suggestions were solicited from Council members and state society presidents last June. During the summer the retiring president, the incoming president, and the executive director devoted two weekends to studying work sheets analyzing the suggestions. Initial recommendations were altered after checking geographical distribution and firm representation. Final proposals were reviewed by the executive committee at its first meeting after the annual meeting in Boston. Appointment letters were mailed a week after the annual meeting, and news releases sent to home-town papers about October 18.

A pamphlet containing names of officers and members of Council and

committees is in the printer's hands and will reach members for insertion in their red binders this month.

## Public Relations Plans

Members often complain that they don't see newspaper publicity about the Institute's annual meeting. This is chiefly because the headlines are built around what the speakers say and don't contain the word "accountants." Press clippings on the 1950 annual meeting at Boston would choke a horse. A report on the subject is being mailed to Council members, state society presidents, and state society public relations committees.

Scripts for two 15-minute radio broadcasts on income taxes are being polished by the PR committee. Recordings of the shows will be available to state societies in December.

## Getting Around

In August and September I attended excellent meetings of the Arkansas, Tennessee, Ohio, and North and South Dakota Societies. In October I took part in a panel discussion of mobilization problems at a New York State Society meeting, and also addressed a "new members" dinner of the Society where about 150 new members were

welcomed by their officers. An unusual and interesting experience was an opportunity to talk about the Institute's work at a meeting of partners of a large accounting firm.

November plans include two conferences in Washington, "American Institute Night" at the New Jersey Society, addresses before the St. Louis Control, Controllers Institute of America, and the St. Louis and Kansas City Chapters of the Missouri Society.

In December, for the first time I will visit all nine chapters of the California Society, accompanied by Arthur Sargent, secretary of the Society. This trip is part of a plan by which Institute staff members will get in touch personally with CPAs in the smaller cities and towns, as well as at meetings in the big cities.

Five other members of the staff will visit about 30 smaller cities in other parts of the country this fall.

## Comments Invited

This informal report by no means covers all the Institute activities that are in the works, but only those that seem most newsworthy right now. Comments, questions and suggestions from members are always welcome.

## Tax Assistant Joins AIA Staff

Charles E. Sigety recently joined the Institute research staff as assistant to the committee on federal taxation. His work will be concerned primarily with broad questions of legislative policy, administration of the tax law, and current tax legislation. It will not include interpretation of tax laws and regulations.



Mr. Sigety

Mr. Sigety has studied at Columbia University School of Business, Harvard Graduate School of Business Administration, and Yale Law School. He has taught at Columbia, Yale, and Pratt Institute in Brooklyn, New York, and has been employed for several years in private industry. In World War II, Mr. Sigety held the rank of Lieutenant (j.g.) in the Supply Corps, USNR.

# National, State Groups Report Increased Membership

## FIRM ANNOUNCEMENTS

On August 31, 1950, according to this table compiled from Institute records by the staff, 41.4 per cent of all CPAs in the United States belonged to the Institute, compared with 39.9 per cent a year earlier. In 17 states, however, the ratio of Institute members to CPAs dropped during the year.

Combined resident membership of all state societies included 59.5 per cent of all certificate holders in the country, compared with 58.7 per cent a year ago. But in 25 states the percentage declined.

Each of the five largest state societies reported resident CPA membership above the 1,000 mark: New York, California, Illinois, Pennsylvania, and Texas, in that order. Ohio, with 902 members, may be the next to join this group.

GEORGE E. BOHL and JOSEPH H. DEEKEN have formed the partnership of Bohl & Deeken, to continue the practice which they formerly conducted under the firm name of J. D. M. Crockett & Company at 915 Olive St., Room 1418, St. Louis 1, Mo.

DWIGHT M. BROWN, MARION E. BARNETT, and TAYLOR W. O'HEARN have formed the partnership of Brown, Barnett and O'Hearn at 427 Ricou-Brewster Bldg., Shreveport, La.

COMERY, DAVISON & JACOBSON have moved their offices to 1022-1027 Industrial Trust Bldg., Providence, R. I.

DERRICK & FINCH of Columbia, S. C. have dissolved. N. E. Derrick, W. J. Stubbs, Jr., and H. Talcott Stith, Jr., have formed the partnership of Derrick, Stubbs & Stith with offices at 1226 Sumter St., Room 203. Raymon R. Finch will practice at 1226 Sumter St., Room 204.

ERNST & ERNST have moved their New York City office to 1600 Equitable Bldg., 120 Broadway, New York 5.

J. FRANK FARMER and E. B. ELLISON have formed the partnership of Farmer & Ellison, Amman Bldg., Monroe, La.

FEDDE & COMPANY, 107 William St., New York 7, N. Y., has admitted Helmut O. Werner to partnership.

FORWARD & LOVE of 409 Griswold St., Detroit 26, Mich., have changed their firm name to Jennings & Rowe. Joseph N. Jennings and Harlon D. Rowe are partners in the firm.

WARREN R. KERR announces dissolution of the partnership of Kerr and Starke of 810 Mercantile Securities Bldg., Dallas, Texas. He will continue to practice on his own account at the same address.

McLAREN, GOODE, WEST & Co. announce the admission of Lorin H. Wilson as a resident partner at their Seattle, Wash., office, in the White Building. Other resident partners in Seattle are R. D. White and E. S. Harrington.

SPURRELL & HASCAL have moved their offices to 3019 Colby Ave., Everett, Wash.

JEAN W. ROGERS and JOSEPH G. TRAGESSER have formed the partnership of Rogers & Tragesser at 409 Metropolitan Building, East St. Louis, Mo.

RUPERT A. STUART has moved to 308 Carondelet Bldg., New Orleans, La.

WARNER & GODFREY announce the admission of L. D. Pilkington, Jr., to partnership and removal of offices to Suite 1120, First National Bldg., Tulsa, Okla.

WATTS AND KOONCE of Raleigh, N. C. have opened a branch office in the Kidd Bldg., Roanoke Rapids, N. C., as successor to George E. Nethercutt who has retired from public practice.

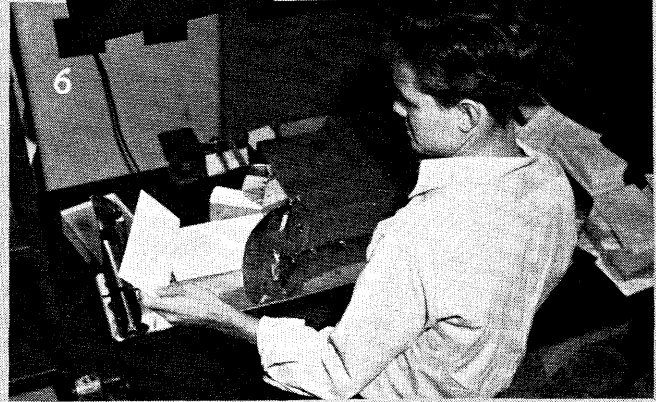
States	Estimated Total of CPA's (see note #1)		Resident CPA Members of State Societies		% of Total in State Societies		Members of A.I.A. (see note #2)		% of Total in A.I.A.	
	1949	1950	1949	1950	1949	1950	1949	1950	1949	1950
Alabama	144	160	96	113	66.7	70.6	79	104	54.9	65.0
Arizona	122	148	80	91	65.6	61.5	70	78	57.3	52.7
Arkansas	120	135	76	93	63.3	68.9	70	81	58.3	60.0
California	2726	3137	1679	1883	61.6	60.0	1172	1443	43.0	46.0
Colorado	296	307	207	239	69.9	77.9	138	162	46.6	52.8
Connecticut	389	424	251	284	64.5	67.0	207	248	53.2	58.5
Delaware	55	65	32	*	58.2	*	34	41	61.8	63.1
D. C.	571	654	193	287	33.8	43.9	278	313	48.7	47.9
Florida	493	562	283	305	57.4	54.3	239	291	48.5	51.8
Georgia	412	451	244	295	59.2	65.4	171	200	41.5	44.3
Idaho	58	68	43	52	74.1	76.5	35	37	60.3	54.4
Illinois	3069	3183	1461	1647	47.6	51.7	1253	1357	40.8	42.6
Indiana	461	517	247	272	53.6	52.6	226	256	49.0	49.5
Iowa	183	234	102	135	55.7	57.7	112	131	61.2	56.0
Kansas	166	204	102	108	61.4	52.9	100	116	60.2	56.9
Kentucky	243	269	172	215	70.8	79.9	173	193	71.2	71.7
Louisiana	463	501	310	332	66.9	66.3	228	248	49.2	49.5
Maine	62	67	23	26	37.1	38.8	20	21	32.3	31.3
Maryland	675	869	466	496	69.0	57.1	188	226	27.9	26.0
Massachusetts	1027	1148	626	686	60.9	59.8	494	556	48.1	48.5
Michigan	964	1215	655	821	67.9	67.6	473	601	49.1	49.5
Minnesota	310	353	213	240	68.7	68.0	173	191	55.8	54.1
Mississippi	141	187	104	125	73.8	66.8	75	95	53.2	50.8
Missouri	807	909	523	657	64.8	72.3	454	553	56.3	60.8
Montana	110	107	65	72	59.1	67.3	46	45	41.8	42.1
Nebraska	123	158	80	96	65.0	60.6	58	68	47.2	43.0
Nevada	15	20	12	13	80.0	65.0	8	13	53.3	65.0
New Hampshire	31	40	28	30	90.3	75.0	21	25	67.7	62.5
New Jersey	1344	1487	770	810	61.9	54.5	382	443	28.4	29.8
New Mexico	45	62	30	38	66.7	61.3	32	41	71.1	66.1
New York	10434	10985	5252	5591	50.3	50.9	2661	2840	25.5	25.9
North Carolina	351	427	237	288	67.5	67.4	179	210	60.0	49.2
North Dakota	20	30	16	24	80.0	80.0	11	17	55.0	56.7
Ohio	1254	1367	799	902	63.7	66.0	640	752	51.4	55.0
Oklahoma	362	393	253	261	69.9	66.4	184	212	50.8	53.9
Oregon	357	429	226	292	72.8	68.1	168	219	47.1	51.0
Pennsylvania	1903	2134	1353	1574	71.1	73.8	953	1079	50.1	50.6
Rhode Island	107	118	90	99	84.1	83.9	64	81	59.8	68.6
South Carolina	105	102	56	64	53.3	62.7	54	63	51.4	61.8
South Dakota	20	19	13	16	65.0	84.2	13	12	65.0	63.2
Tennessee	415	474	229	274	55.2	58.0	198	228	47.7	48.1
Texas	1368	1680	1142	1326	83.5	78.9	711	892	52.0	53.1
Utah	133	163	109	113	81.9	69.3	81	93	60.9	57.1
Vermont	32	28	11	16	34.4	57.1	12	14	37.5	50.0
Virginia	386	438	219	243	54.7	55.5	205	226	53.1	51.6
Washington	583	659	439	482	75.3	73.1	279	297	47.9	45.1
West Virginia	88	96	61	63	69.3	65.6	53	61	60.2	63.5
Wisconsin	820	883	518	547	63.2	61.9	248	286	30.2	32.4
Wyoming	35	38	10	27	28.6	71.5	16	18	45.7	47.4
U. S. TOTAL	34398	38094	20206	22663**	58.7	59.5**	13739	15783	39.9	41.4
U. S. Territories and Island Possessions..	207	202					78	85	37.7	42.1
Foreign	357	389					59	75	16.5	19.3
GRAND TOTAL	34962	38585					13876	15943	39.7	41.3

<sup>1</sup>The figures shown indicate the number of CPA's resident or having a place of business in the state, but not necessarily a holder of a certificate issued by that state. All CPA's whose mail has been returned are listed at the last known address.

<sup>2</sup>61 members of the Institute who were not CPA's on August 31, 1949 and 55 members who were not CPA's on August 31, 1950 are not included in the tabulation. International Associates are not listed. There were 23 International Associates on August 31, 1949, and 63 on August 31, 1950.

\*Information not available \*\*Incomplete totals

# Information Service Answers 252 Questions



Since AIA's technical information service, supervised by Research Director Carman G. Blough, was introduced early this year it has answered 252 questions on accounting and auditing for members practicing in 39 states. Questions must be submitted in writing.

Answers are written or, in urgent circumstances, verbal and subject to written confirmation. There are no facilities for answering tax questions. Replies are not official expressions by the Institute, but care is taken to assure their accuracy. All inquiries are confidential. Names of questioners are not disclosed.

Pictures above show how technical information service works.

1. A mail clerk sorts out questions from the incoming mail and delivers them to the research staff.

2. Research assistant Aubrey Williams, who spends much of his time on this work, scans leading authorities for an answer to the latest request.

3. In the Institute library, researcher Williams consults an authoritative text.

4. Walter L. Schaffer of the accounting procedure committee, on the phone in his office, discusses an Institute member's question with an AIA staff member.

5. The research staff reviews information assembled and considers a member's problem. (L to R) William Hird, Edmund Ingalls, Research Director Blough (at desk), Aubrey Williams, Richard Lytle, Helen Williams (secretary to Mr. Blough, no relation to Aubrey).

6. An answer is speeded on its way. Technical information service should be especially helpful to individual practitioners in smaller communities whose library resources are limited, whose practice cannot justify extensive research facilities, and who have few opportunities to discuss their problems with others.

# Syracuse Chapter Audits Freedom Crusade

About 75 members of New York State Society's Syracuse Area Chapter volunteered their services in receiving, auditing, and depositing funds and signature scrolls collected in Onondaga County's recent "Crusade for Freedom" campaign.

A total of 155,000 persons in the County—which has an estimated population of 300,000—signed the scrolls and donated \$54,000 in small contributions.

Many CPAs worked around the clock to insure early publicity for the audited returns. Their activities were supervised by Chapter President Arthur W. Stover, partner in Stover, Butler & Murphy; Miles E. McNeal, past president of the chapter and partner in Gilfoil, McNeal & Cummings; and F. C. Soule, chapter publicity chairman and treasurer of Radio Station WFBL.

Crusade for Freedom is a nationwide project sponsored by the National Committee for a Free Europe, under the direction of General Lucius D. Clay. Its objective is to remind American citizens of their heritage of freedom and to raise funds for broadcasting facilities in Western Europe.

## **New Rules on Business Documents, Competitive Bidding**

Two rules were added to Tennessee Society's code of ethics at its recent annual meeting. One forbids CPAs to write or obtain corporate charters, or to write contracts, partnership agreements, wills, and other specified legal documents. The other prohibits competitive bidding.

## **Florida Bookkeepers Fail In Blow at Practice Requirement**

At a recent organizational caucus of the State legislature, Florida Bookkeepers and Tax Consultants Association tried unsuccessfully to obtain favorable action on a resolution intended to liberalize requirements for permission to practice as a public accountant.

This resolution, adopted by the bookkeepers' organization at its 1950



Syracuse CPAs join banking and business leaders in counting freedom scrolls. (L to R) William G. Morton, Onondaga County Savings Bank; Mrs. Bernice Weinheimer, Easy Washing Machine Company; Miles McNeal, past president, Syracuse Area Chapter, New York State Society of Certified Public Accountants.

annual convention, petitioned the House and Senate to appoint a joint committee to investigate the state board of accountancy; determine deficiencies in the Florida Accountancy law; and prepare for consideration by the 1951 session of the Legislature recommendations to eliminate alleged inequalities, particularly with respect to qualifications for public practice.

Copies of the resolution were furnished to House and Senate leaders, but it was not introduced from the floor.

## **Three Publications Launched**

Alabama Society established *The Alabama CPA*, a quarterly newsletter for its membership, on October 1 after circulating a trial issue late in 1949.

Maryland Association also published the first issue of a news bulletin in October. A month earlier, the tax committee of California Society's Los Angeles Chapter introduced a tax bul-

letin to inform Chapter members about committee projects and provide a clearing house for tax experience.

At least 35 state societies now issue publications in some form.

## **A Lift For CPA Candidates**

November CPA examinations should be less baffling for 50 candidates who attended a series of five meetings conducted by Professor W. J. Fleig of Ohio State University, as guests of Ohio Society's Columbus Chapter.

All discussions were based on May examination papers, copies of which were distributed in advance of the sessions.

Ohio Society's Dayton Chapter also held a panel discussion on the CPA examination last month to help candidates. C. Weldon Barstow, Ohio Society president, and Gordon S. Battelle, American Institute vice president, were among the speakers.

## PR Chairman Stresses Legislative Problems

Every state society or chapter should devote one meeting this year—or at least part of a meeting—to discussion of public relations, Chairman George E. Perrin of the Institute's PR committee suggested to society and chapter presidents in a recent letter.

In states where legislative proposals threaten the prestige of the CPA certificate, he urged immediate action to obtain support from the legislators and to acquaint businessmen with the value of the CPA's services.

"Our members generally do not yet realize," Chairman Perrin said, "that our national public relations program will be running along on three wheels unless they do their part."

### Invitation to Mexico

Past President R. Casas Alariste of the Instituto de Contadores Publicos Titulados de Mexico has invited all AIA members to the second Inter-American Conference on Accountancy.

The meeting will be held in Mexico City in late October or early November, 1951. Members who expect to attend are asked to notify the Institute now.

## Internal Auditors Honor AIA Members

The Institute of Internal Auditors at its Ninth Annual Conference in Atlantic City, October 22-24, elected an American Institute member—Victor Z. Brink of Dearborn, Mich., as its president.

Other AIA members elected were Herbert C. M. Cobb of Harrison, N. J., vice president; and three regional vice presidents: W. T. Johnson of Atlanta, Ga.; O. L. Luper of Houston, Tex.; and Eugene F. Ratliff of Indianapolis, Ind.



Mr. Brink

## Applicants Recommended for Admission

The committee on admissions recommends admission of 205 applicants for membership in the Institute—24 who have been accorded credit for having passed examinations acceptable to the committee, and 181 who have passed the uniform examination for the CPA certificate in participating states.

These applicants do not become members until voted upon by Council and declared elected by the president. If protest is to be made against any applicant on the list it should reach the office of the Institute on or before November 30, 1950.

### ALABAMA

**Birmingham:** E. Houston Brown, Raymond E. Potter. **Montgomery:** Carl E. Meriwether, Jr.

### ARKANSAS

**Jonesboro:** Paul Johnston.

### CALIFORNIA

**Berkeley:** Norman M. Green. **Hollywood:** Burt S. Kleiner. **Los Angeles:** Donovan Chambers Cable, Royal C. Florey, Charles Gumbiner, Walter B. Meigs, John G. Peetz, George Marshall Ryan, Robert B. Van Arsdale, William Edwards Weigel. **San Bernardino:** John J. Blair, S. B. Burnett, Leo A. Osheroff. **San Diego:** John H. McClellan. **San Francisco:** Ralph Bardoff, William H. Chandler. **South Gate:** Ben J. Little, Jr. **Van Nuys:** George M. Crandell.

### CONNECTICUT

**Greenwich:** William H. Fox. **Hartford:** Marshall F. Marighione.

### DISTRICT OF COLUMBIA

**Washington:** Robert T. Mayhew, A. I. Sheehan.

### FLORIDA

**Daytona Beach:** Frank M. Genter. **Miami Beach:** Saul Radler. **Orlando:** John W. Boone. **Pensacola:** Harold C. Gordon. **Tampa:** Angelo Guida.

### GEORGIA

**Atlanta:** Claude Malone Hamrick, Jr., W. Paul Skelton, Jr.

### ILLINOIS

**Champaign:** Lewis Tanner. **Chicago:** John Christian Walter Clemens, Philip G. Garfinkle, Joseph Herman Gaffy, Wesley Jung, Jr., Howard Oran Linton, Vincent Roger Maranto, Robert E. Moeller, Fred L. Moore, Jr., William H. Morison, Samuel Rottman, Alwin M. Seavey, Jacob E. Shamray, Francis J. Speyer. **Peoria:** Neil E. Clifton.

### INDIANA

**Danville:** E. Harry Banister. **Indianapolis:** Raymond J. Heim.

### IOWA

**Des Moines:** John M. McClure, Jr. **Sioux City:** Wm. C. Schenk, Jr.

### KANSAS

**Topeka:** L. Duane Blanding.

### KENTUCKY

**Hopkinsville:** Howard D. Edmondson. **Louisville:** Edward F. Altes, Jr., Erle W. Bishop, Emil P. Graas, John V. McReynolds, Jr., Clarence H. Webb.

### LOUISIANA

**Ruston:** Harold J. Smolinski.

### MARYLAND

**Baltimore:** Milton Duke, Richard I. Pulse, Jr., John Edward Thomas, Jr.

### MASSACHUSETTS

**Boston:** Robert George Amyouny, Paul H. Forristall, Robert J. Hurstak, John S. Swift, Edward Waldstein. **Chelsea:** Milton Silverman. **Fall River:** Allen B. Davis. **Springfield:** Henry T. Downey.

### MICHIGAN

**Detroit:** A. P. Bartholomew, Jr., Warren S. Farrell, Richard W. Lamkin, Robert B. Marr, Samuel E. Scott, Louis L. Silverfarb. **Grand Rapids:** Robert S. Livingston, L. Ronald Noreen, John J. Spinetto. **Lansing:** Thomas J. Bailey. **Sault Ste. Marie:** Robert K. Stevens.

### MINNESOTA

**Minneapolis:** Fordyce Alwin Larm, Kenneth E. Pet-tijohn.

### MISSOURI

**Kansas City:** E. J. Britten, Kenneth E. Harden, G. Harold Johnson, Miles B. Minnies, Nathaniel J. Sharlip. **Lebanon:** J. A. Mumford. **St. Louis:** A. P. Chatterton, Forrest P. Kleberger, Dan B. Koslow, Thomas J. McGarry, Harry George Pace, Ralph F. Rau, Ralph W. Simon.

### NEW JERSEY

**East Orange:** Arnold J. Koller. **Newark:** Alfred B. Fersko, Harold Siegel, Edwin H. Taylor. **Paterson:** Louis D. Cole. **Trenton:** Lester Kolman, Nicholas J. Lepf, Lewis W. Parker, Jr.

### NEW MEXICO

**Albuquerque:** Daniel M. Smith, Jr.

### NEW YORK

**Buffalo:** Eric E. Lansing. **New York:** Joseph D. Blau, Leon J. Braudy, Robert G. Conroy, Joseph D. Coughlan, George H. Derbyshire 3rd, Alan R. Dykes, George Funaro, Edward S. Green, Andrew A. Karpuk, Milton Klein, Joseph L. Kofsky, Morris Kritz, Jacob Lang, Lester A. Leight, Henry Raymond Ludwig, Harvey Luppescu, Edward O. Lutz, Harry Margolis, Abe Louis Marks, D. Edward McCarthy, Robert F. Moller, Maurice S. Newman, Le Strange Du Bois Ring, Harold R. Ronan, Emil L. Schneider, Warren A. Schneider, Meyer Smolowe, Vincent J. Solomita, William Tanklow, Michael S. Vitale, Edwin K. Walker. **Plattsburg:** Arthur Blake.

### NORTH CAROLINA

**Asheville:** Rowland J. Jones. **Chapel Hill:** Robert Minor James. **Charlotte:** Robert F. Patterson. **Durham:** John Brame Harris. **Gastonia:** Hoyt Butler. **Raleigh:** Henry L. Ferguson, Jr., Louis Carr Mitchell.

### NORTH DAKOTA

**Grand Forks:** Erven H. Weber.

### OHIO

**Cincinnati:** Robert V. Barnes. **Cleveland:** Loyal F. Chaney, Wilbur J. Snevel. **Columbus:** Clyde V. Tippet. **Toledo:** William A. Jacoby.

### OKLAHOMA

**Oklahoma City:** John Frederick Ryan. **Tulsa:** S. F. O'Dell, William Charles Moll, L. Donald Pilkington, Jr.

### OREGON

**Coos Bay:** Raymond A. Lee. **Eugene:** Bruce John Herzinger.

### PENNSYLVANIA

**Harrisburg:** Jack A. Shindle. **Meadville:** William J. Phelan. **Philadelphia:** Hy Goldfarb, William F. Knorr, Alexander McIver, Ralph Shapey, Gino V. Zambelli. **Pittsburgh:** Robert H. Bischoff, R. L. Erikson, Jack L. Pollock, Henry Walter Uffelman, Richard A. Vollmer.

### SOUTH CAROLINA

**Columbia:** R. L. Kight, Joseph E. Whitmire.

### TENNESSEE

**Jackson:** Henry Grady Arnold. **Kingsport:** F. Stewart McCorkle, Jr. **Knoxville:** Forest C. Carter. **Memphis:** J. H. Day, John Abston Laws, Everett F. Wilson. **Nashville:** Merry A. Maney.

### TEXAS

**Amarillo:** Bert M. Boomer. **Big Spring:** Carlson Hamilton. **Corpus Christi:** Joseph H. Goodman. **Dallas:** Wayne Horn, Jack A. Silverman. **Houston:** Carl J. Bohne, Jr., Thomas S. Curran, Fred N. Irvin, John F. Lanier, Jr. **Lubbock:** Edwin E. Merriman. **San Antonio:** Walter F. Beran. **Temple:** Charles R. Vance.

### VIRGINIA

**Lynchburg:** Ralph E. Burnette. **Norfolk:** Trent Codd, Denis A. Wilson. **Richmond:** Kenneth M. Pedersen. **Suffolk:** Frank Edward Sheffer.

### WASHINGTON

**Seattle:** Lothar Maier, John E. Watkins, John Wiley. **Yakima:** Robert Raymond Dolsen.

### WISCONSIN

**Madison:** John Blend White. **Milwaukee:** James T. Malsack, Ezra Milton Zinser.

### WYOMING

**Casper:** Earl R. Johnson. **Cheyenne:** Joseph Heslep.



# James F. Hughes Dies at 72; Past President of CPA Groups

**James F. Hughes**, a former president of the American Society of Certified Public Accountants, New York and New Jersey CPA Societies, and the Accountants Club of America, died at his home in Jersey City, New Jersey, on October 26, at the age of 72.

Mr. Hughes, a native of Jersey City and a graduate of Phillips-Exeter Academy in Exeter, New Hampshire, also studied at Pace Institute. He had practiced public accounting since the turn of the century and, in 1911, was one of the founders of the firm of Boyce, Hughes & Farrell of New York and Jersey City, in which he was a partner at the time of his death.

From 1918 to 1922 Mr. Hughes was treasurer of the New York State CPA Society. He was a member of the New Jersey Board of Public Accountants for 15 years and, during part of that time, its president. He had been a member of the American Institute and predecessor organizations since 1913 and represented the American Society of Certified Public Accountants on the committee which arranged for its merger with the Institute.

Mr. Hughes had taught at St. Peter's College in Jersey City and at Columbia University, and was a member of a group which sponsored the establishment of Columbia School of Business.



*Mr. Hughes*

**Francis R. Brodie** of Kansas City, an AIA member since 1936 and a partner in Brodie, Worcester & Company, died September 15 at the age of 57 following an illness of several months. He was a past president of Kansas City Chapter, National Association of Cost Accountants, and a member of the Missouri Board of Accountancy from 1942 to 1946.

**Louis T. Cormier** of Springfield, Massachusetts, a partner in the CPA firm of Fred A. Wright & Co., died suddenly at his home on October 5, at the age of 47. Mr. Cormier was born in East Longmeadow, a suburb of Springfield, but had lived in nearby Ludlow for 38 years. He was a graduate of Northeastern University, in Springfield, and an instructor there. His professional and fraternal affiliations included the National Association of Cost Accountants, Massachusetts Society of CPAs, and Springfield Lodge of Elks.

**Gordon M. Dickinson** of Daytona Beach, Florida, partner in the certified public accounting firm of Dickinson and Derby, died September 28. He was a graduate of Wharton School of Commerce and Finance of the University of Pennsylvania, a member of the Florida Institute of Accountants, and had been a member of the American Institute since 1929.

**George T. Finnegan** of Boston, CPA and lawyer, died October 31 in New England Hospital Centre at the age of 63, following an illness of several months. He was a partner in Robert, Finnegan & Lynch, certified public accountants. Since 1933 he had been a member of the Massachusetts Board of Registration of CPAs and, during part of that time, its chairman and secretary.

Mr. Finnegan was born in Malden, Massachusetts, but had lived in Milton for more than 20 years. He was a graduate of Young Men's Catholic Association School of Accounting and Suffolk Law School. In 1921 he left the Internal Revenue Bureau, where he was employed as an examining agent, to enter public accounting practice. Ten years later he became a member of the firm with which he was associated at the time of his death.

**Harry E. Gordon** of Dallas, Texas, a member of the American Institute and predecessor organizations since 1911 and a public practitioner for about 45 years, died September 20 at his home after a few months' illness. He was associated with the firm of H. E. Gordon & Co. Mr.

Gordon was a native of Haverhill, Massachusetts, and a graduate of New York University. He was a past master of East Dallas Masonic Lodge, past patron of East Dallas Chapter of the Order of the Eastern Star, and a member of the Knights Templars and Knights of Pythias.

**Charles Rex Kistler**, partner since 1941 in the certified public accounting firm of Hall, Kistler & Company in Canton, Ohio, died September 14 in Mercy Hospital there, at the age of 47. He was apparently in good health before suffering a cerebral hemorrhage at his home on the day of his death. Mr. Kistler, a lifelong resident of Canton, was treasurer and a director of Brookside Country Club and a member of the local Chamber of Commerce.

**A. Lee Rawlings** of Norfolk, Virginia, senior partner of A. Lee Rawlings & Company, CPAs, and a member of the American Institute and predecessor organizations since 1914, died on October 24, at the age of 74, following a few weeks' illness. Mr. Rawlings was a native of Southampton County, Virginia, and a graduate of Eastman College in Poughkeepsie, N. Y. He was one of the first CPAs in Virginia, an organizer, charter member, and past president of the Virginia Society of Public Accountants. Mr. Rawlings was one of the organizers and a former chairman of the Virginia Board of Accountancy.

**Jack M. Silvert**, 45, of Chicago, partner in the CPA firm of H. R. Hurvitz & Co. for the past eight years, died on October 11 in Franklin Boulevard Hospital. He was born in Chicago, and studied at Northwestern and De Paul Universities. Mr. Silvert was a member of the National Association of Cost Accountants, Illinois CPA Society, a director of North Suburban Synagogue Beth El, a member of the Masonic order and B'nai B'rith.

The  
**CPA**

**The Certified Public Accountant  
270 Madison Ave., New York 16, N. Y.**

**INSTITUTE OFFICERS**

**PRESIDENT: T. Coleman Andrews**  
**VICE PRESIDENTS: Gordon S. Battelle,  
Richard C. Mounsey, Frank L. Wilcox,  
John H. Zebly, Jr. TREASURER: Harold  
R. Coffyn, EXECUTIVE DIRECTOR: John  
L. Carey.**

# The CPA

December 1950

MEMBERSHIP BULLETIN OF THE AMERICAN INSTITUTE OF ACCOUNTANTS

## Parley Held on CPA War Role

The Institute's proposal that CPAs be added to the list of critical occupations used as a guide in deferment of reservists was discussed by AIA representatives and Government officials in Washington on November 22.

The hearing was conducted by five staff advisers to the Interdepartmental (Labor and Commerce) Committee on Essential Activities and Critical Occupations.

The Institute was represented by J. Harold Stewart, chairman of the AIA Committee on National Defense; William M. Black, a member of the committee; Executive Director John L. Carey; and Public Relations Director Charles E. Noyes.

At the suggestion of the Government conferees, the Institute will send a questionnaire on a sample basis to a

[Continued on page 4]

## SECOND ROUND-UP

by John L. Carey

This month I continue the effort to bring members up to date on what has been happening at the Institute.

The first meeting of the new executive committee for the current fiscal year was held in New York on November 20. All but one of the 13 members were able to attend. Those present were: President T. Coleman Andrews of Virginia; Vice-Presidents Gordon S. Battelle, Ohio; Frank L. Wilcox, Texas; and John H. Zebley, Jr., Pennsylvania; Treasurer Harold R. Caffyn, New York; and Thornton G. Douglas, California; Arthur B. Foye, New York; J. William Hope, Connecticut; George E. Perrin, North Carolina; Prior Sinclair, New York; Maurice H. Stans, Illinois; and J. Harold Stewart, Massachusetts.

Bearing in mind the wide geographic distribution, and the fact that members pay their own travel expenses, it is evident that the committee takes its duties seriously.

The meeting lasted all day. Subjects considered included SEC Regulation S-X, relations with the Bar, Wage and Hour problems, war manpower problems, communications from foreign societies and from members, resignations and reinstatements, financial and administrative affairs of the Institute.

At dinner the group was joined by several members of last year's executive committee—Maurice Austin, Percival F. Brundage, and Charles H. Towns—in honoring J. Harold Stewart, immediate past president, for his services to the Institute. President Andrews

[Continued on page 3]

## Merry Christmas to All

*To all the members of AIA  
A very merry Christmas day  
With a wish that Yuletide joy may last  
For all the presidents, present and past  
To Coleman Andrews and George D. Bailey  
We drink a Noel toast right gaily  
And raise a glass again to laud  
Percival Brundage and Samuel Broad.  
Harold Stewart and Collins, Clem—  
Let Santa Claus remember them,  
And for Colonel Robert H. Montgomery  
A Florida Christmas, bright and summery.  
Let all the finest things be given  
To George S. Olive and John B. Niven.  
For Oliver Wellington and Wilcox, Byers,  
All the things each heart desires.  
To John F. Forbes and Williams, Dwight  
A holiday both gay and bright.  
May Couchman, Charles and McLaren, Loyall  
Be honored at a banquet royal;  
The season's gifts to Hurdman, Fred  
Bedecked with ribbons green and red.  
And again to all a Christmas merry—  
Not forgetting John L. Carey.*

## **CPAs Aid Texas Economy Drive**

At the suggestion of Governor Allan Shivers, a special committee of the Texas Society recently conferred with state officials and the Texas Economy Commission on ways to establish central control over state revenues and expenses.

A proposal for a long-term informal study group composed of state government officials, legislators, the Commission, and CPAs was also reviewed.

J. R. Jordan of Houston is chairman of the Society's special committee.

The California Society has a similar committee discussing improvements in the state's accounting system with legislators.

### **New Jersey Honors AIA**

New Jersey Society's third annual American Institute Night, in Newark on November 21, was addressed by President T. Coleman Andrews. Executive Director Carey also spoke briefly, and other staff members attended. This program was arranged by Chairman C. Perry King of New Jersey Society's general meetings committee. Society President William D. Cranstoun presided.

### **South Carolina Outlaws Bids**

South Carolina Association has joined the list of societies opposed to competitive bidding by adopting an amendment to its by-laws forbidding members to engage in such practice.

### **New York Votes on Regulatory Bill**

Of the first 2,800 replies to New York State Society's current membership questionnaire on a proposed regulatory bill, 74 per cent registered approval. The bill was drafted by the Society's legislation committee, after conferences with State officials, legislators, and public accountants, for introduction into the 1951 Legislature.

### **Wisconsin Scholarship**

A new \$250 scholarship is offered by Wisconsin Society, effective with the fall 1951 term, to an accounting major in a school of commerce which is a member of the Association of Collegiate Schools of Business.

The recipient will be selected by a

committee consisting of the chairman of the Society's committee on education and three University of Wisconsin representatives.

### **Tax Meetings Multiply**

Tennessee Society held its first Institute on Taxation, with the cooperation of University of Tennessee, at Knoxville on November 16-18. Addressed by prominent CPAs, lawyers, and government representatives, the meeting was attended by tax practitioners from all parts of the state.

Other state societies which have recently arranged comparable tax conferences include Alabama, California, District of Columbia, Florida, Maryland, Massachusetts, Michigan, New Jersey, Ohio, Oklahoma, Oregon, and Wisconsin.

The Illinois Society has also sponsored three luncheon programs for Chicago business executives on the theme

"Tax Planning for 1950-51." Moderators and speakers were members of the accounting profession. Attendance averaged 370, with more than half the reservations from businessmen.

### **Michigan on the Air**

Chairman Alexander S. Currie and Kenneth S. Reames of Michigan's federal taxation committee recently discussed changes in social security and income-tax laws in a broadcast over Detroit Station WWJ.

## **CPAs Recognized By the Trade Press**

Articles on CPA services for small businessmen, supplied by the Institute public relations department, appeared in the October and November issues of several trade publications. They include: *Gift and Art Buyer*, *National Cleaner and Dyer*, *National Roofer*, *Progressive Grocer*, *Radio and Television Retailing*, *Commercial Refrigeration*, *Hotel Management*, and *Sanitary Maintenance*.

## **Actors Perform for the (Tax) Record**



Three of the actors who recorded the two radio shows on taxes prepared by the Institute for use by state societies and chapters. Both transcriptions—which are being sent to public relations chairmen this month—end with brief remarks from Commissioner George J. Schoeneman. Similar programs were broadcast on donated time by 200 stations last year.

## ROUND-UP

[Continued from page 1]

presented Mr. Stewart with a silver tray engraved with the signatures of last year's executive committee members, who offered the gift as a memento of their year's work with Mr. Stewart.

### Relations with Lawyers

The National Conference of Lawyers and Certified Public Accountants is expected to meet this winter to attempt to iron out some differences of opinion on the section dealing with tax advice in the draft statement of principles governing relations between lawyers and CPAs in tax practice. It is hoped that if this one point can be settled both the Institute and the American Bar Association may approve the statement in full.

Meanwhile, the Institute and the American Bar Association are both filing briefs, as friends of the court, in the appeal of the *Conway* case to the Minnesota Supreme Court. The appellant is neither a lawyer nor a CPA. The Institute is arguing that whatever the decision may be it should not be so broad in its terms as to include certified public accountants, who have a recognized professional status by virtue of which they are admitted to practice before the Treasury Department.

### Regulation S-X

A special committee, appointed by the executive committee, presented Institute views on proposed revision of Regulation S-X to members of the Securities and Exchange Commission, in Washington, on December 6. The Institute president is chairman of this committee. Members are chairmen of AIA committees on accounting procedure, auditing procedure, relations with SEC, and the research director.

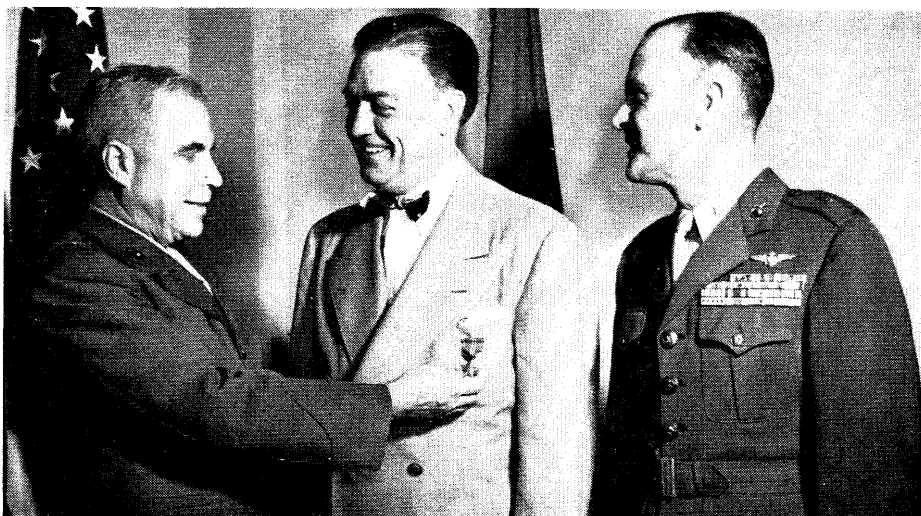
### Small Practitioners' Manual

More than 200 replies to questionnaires mailed to 500 small and medium-sized accounting firms, asking them what material should be included in the forthcoming CPA handbook, are now being analyzed.

### Junior Achievement Reports

The author of this column served as one of the judges in the New York Stock Exchange contest to determine the best annual report submitted by a

## The President Wins Bronze Star Medal



Major T. Coleman Andrews, U. S. Marine Corps Reserve, receives the Bronze Star from Maj. Gen. Louis E. Woods for "meritorious service in connection with operations against the enemy" in the Marshalls-Gilberts Area, in 1944-45. Brig. Gen. Clayton C. Jerome looks on. Presentation was November 3.

Junior Achievement company in the past year. Many of the reports submitted by these business organizations of high-school students were incredibly good. The winners get a free trip to New York and a luncheon in their honor at the Exchange, where the awards are presented.

### Budgeting and Accounting

The Institute has altered its accounting system to permit budgeting and reporting on a departmental basis. The departmental budgets show, for example, that more than \$150,000 will be spent on the uniform CPA examination this year, nearly \$83,000 on public relations and state society service, about \$80,000 on research, \$98,000 on publications for members, and \$36,000 for the library. Membership promotion and admissions, meetings and committee expenses, legal and auditing fees, rent, overhead, administration and a variety of other expenses will bring the total combined expenditures of the Institute to about \$670,000. Preparation, production and promotion of *The Journal* will cost nearly \$400,000.

Dues, sales of publications, payments for the examination service, and income from investments will more than pay the bills. No voluntary contributions are to be requested this year.

## Andrews Gives Talk At AMA Conference

American business faces a new challenge to do whatever is necessary for defense production without wrecking the civilian economy, President T. Coleman Andrews told the American Management Association's finance conference in New York, November 30.

Speaking at a session on "Government-Management Relations in Defense Production," President Andrews listed sound accounting as one of the most useful tools for achieving business efficiency, and outlined some major problems which accounting can help to solve.

The most urgent task facing business today, he said, is "the vital necessity for keeping costs down both in letting defense contracts and in carrying them out." This means achieving the highest possible output of goods and services with the least possible use of manpower and materials, Mr. Andrews added.

"If we use our accounting tools as well as our machine tools," he said, "we can take the defense program in our stride. If we fail to count costs, we are likely to find ourselves with nothing else left to count."

## Six AIA Staff Members Visit 33 Cities Across the Country

Since the first of November, the executive director and five other members of the Institute staff have visited 33 cities from Florida to California.

This program continues the staff-tour project, introduced last year at the suggestion of Council, to permit Institute representatives to get acquainted with members in smaller localities—as well as in larger centers—and to give members a chance to ask questions and express opinions on Institute activities and professional problems.

The meetings are arranged with the help of state society and chapter officers.

Recent itineraries follow:

John L. Carey, executive director: California — Oakland, San Francisco, Sacramento, Fresno, Los Angeles, Pasadena, Citrus Belt Chapter, Hollywood, San Diego, Santa Barbara, San Jose.

Carman G. Blough, research director: North Carolina — Greensboro, Winston-Salem, Raleigh.

Charles E. Noyes, public relations

director: Florida — Jacksonville, Orlando, Tampa.

John L. Lawler, assistant public relations director: Tennessee — Bristol, Knoxville, Chattanooga, Nashville, Memphis.

William S. Papworth, managing editor, *The Journal of Accountancy*: Virginia — Norfolk, Roanoke, Luray, Arlington.

H. T. Winton, administrative secretary: Pennsylvania—York, Harrisburg, Pittsburgh, Lancaster, Reading, Allentown, West Pittston.

### CPA War Role

[Continued from page 1]

number of member firms to obtain additional data on the reserve status of certified public accountants.

A decision on adding CPAs to the list will be postponed until this information becomes available.

The Institute's representatives explained that they were concerned only

with the status of highly trained and skilled accountants who would be difficult to replace. They described the services performed by the CPA in the tax field, the significance of independent audits, and the CPA's function in the installation of systems. Citing the profession's experience in World War II, they expressed the fear that the existing shortage of certified public accountants will become more acute as CPAs are recruited by federal agencies and the armed forces.

The Government conferees pointed out that no field-grade officers and no inactive reservists—unless members of integrated units—are being called at present. The Department of Defense, they said, uses the critical list only as a warning sign that men in the listed occupations should not be summoned to duty except for similar or equally important work in the services. They added that, in any case, delays of more than six months are rarely granted.

Members of the Institute delegation, in reply, stressed the importance of securing recognition of the CPAs' essentiality before the call-up is extended to older men in order to avoid a shortage which might seriously impede an all-out defense effort.

## McLaren to Head Economy Commission

N. Loyall McLaren, AIA past president, has been named by Mayor Elmer E. Robinson of San Francisco as chairman of a new municipal survey committee to propose economies in the City government.



Mr. McLaren

The 11-member group includes representatives of two labor organizations, Chamber of Commerce, League of Women Voters, Down Town Association, Pacific Gas & Electric Company, a lawyer, stock broker, real-estate executive, and a banker.

### Japanese Audit Statement

An interim report by the Business Accounting Standards Council of Japan, entitled *Tentative Statements of Auditing Standards and Auditing Procedures*, was recently received by the Institute. It was acknowledged by Research Director Carman G. Blough, with comments and suggestions.

## Three New AIA Committees Named by President Andrews

President Andrews recently appointed three committees to relieve heavy demands on existing groups.

A 23-member advisory committee on uniform CPA examination will assist the board of examiners, through

the educational director, in formulating questions and make recommendations on the content and scope of examinations. The Board will now be concerned only with administrative problems.

To consolidate business management of the Institute and the Publishing Company, a publication committee has been appointed consisting of five members of the AIA executive committee who are officers and directors of the Publishing Company.

A 19-member editorial board replaces the former 7-member publication committee. It will review manuscripts submitted to *The Journal of Accountancy* and advise the editorial staff. Board membership represents major classes of readers, including partners of public accounting firms, individual practitioners, teachers, and corporation executives.

Other committees meeting recently: accounting procedure, auditing procedure, admissions, foreign affairs, board of examiners.

### We Eat Crow On Our Table

A bright-eyed reader detected a mathematical error in the membership table published on page four of *The CPA* for November. In the second column of figures from the left the "U. S. Total" should read 38,104 instead of 38,094. (State totals are all correct.) The "Grand Total" at the bottom of the same column should read 38,695 instead of 38,585. Consequently, the last item in the extreme right-hand column should read 41.2 instead of 41.3 per cent.

## The Membership Story



Stanley Harmon of Stamford, Conn., talks to W. J. Kelemen

Mr. Kelemen signs his application

Institute staff members check his form

Mr. Winton reviews the application

Committeeman Donald Russell gives OK

Mr. Kelemen looks at his membership certificate

Every new CPA receives a letter or a call from a member of the committee on membership who tells him about the Institute and invites him to consider filing an application.

At the Institute office, each application is checked by administrative secretary H. T. Winton with the help of the staff. In-

quiries are sent to the applicant's personal references, his state board of accountancy, present and past employers.

When an application is in order, it is referred to a member of the admissions committee. If he approves it, he recommends favorable action by the full committee.

Names of applicants approved by the committee are published in *The CPA*. If no protest is received from any Institute member by the end of the calendar month, and if the application is meanwhile approved by each member of council on a mail ballot, the president declares the applicant elected.

The new member is notified of his election in a letter from the executive director. Finally, he receives a membership certificate as soon as it is prepared by the engraver.

Normally a candidate becomes a member about three months after he files his application.

## Applicants Recommended for Admission

The committee on admissions recommends admission of 250 applicants for membership in the Institute—83 who have been accorded credit for having passed examinations acceptable to the committee, and 167 who have passed the uniform examination for the CPA certificate in participating states.

These applicants do not become members until voted upon by Council and declared elected by the president. If protest is to be made against any applicant on the list it should reach the office of the Institute on or before December 31, 1950.

### ALABAMA

**Birmingham:** James L. Dent, Jr., Sidney Grady Fullerton, Jr.

### ARKANSAS

**Little Rock:** Boyd A. Hodge, Richard F. Maginn, Glen F. Rogers.

### CALIFORNIA

**Albany:** Richard M. Thomssen. **Beverly Hills:** Helen L. Adney. **Culver City:** Donald F. Hartman. **Long Beach:** C. F. Tracy. **Los Angeles:** Harold Kenneth Bowers, James Vernon Class, Lincoln O. Warman, Martin H. Weil. **Madera:** W. E. Holt. **Redwood City:** Robert Donner Ohlson. **San Diego:** John F. Couvrette, Richard Willis Jensen. **San Francisco:** Emmett S. Clifford, J. Ernest Dawson, Jr., Victor Erickson, Eric Hart, John Messersmith, O. Paul Webb, Loyd B. Wilkins. **San Jose:** Gale V. Walker, Chester Charles Young. **Stanford:** R. O. Houghton.

### COLORADO

**Denver:** F. Norman Black.

### DISTRICT OF COLUMBIA

**Washington:** Arthur J. Bruner, Samuel H. Claiborne, Theodore George Freedlund, James M. Goodpaster, D. W. Stanton, Meyer Weisman.

### FLORIDA

**Jacksonville:** H. Lynton Tyson. **Orlando:** Forrest A. Kilgore, Jr. **Tampa:** Charles S. Miller, Jr.

### GEORGIA

**Decatur:** Wilbur Fisk Tabor. **Tifton:** Gerald N. Her-ring, Jr.

### ILLINOIS

**Chicago:** Melvin Cohen, Harold H. Hensold, Jr., Russell J. Homer, David Jacobson, Gordon M. Kadowaki, Leo Krashen, Peter H. Lauer, Thomas E. McDonald, Lewis Edward Rossiter, John W. Zick. **Rockford:** Donald E. McLean. **Springfield:** Harold L. Cox.

### INDIANA

**Fort Wayne:** Paul E. Brunton. **Hammond:** Jacob M. Newberg. **Indianapolis:** Wm. Ripley Harrison, John T. Kokos, Herschell J. Umbaugh. **South Bend:** Emery A. Beres, Frank C. Sheldon.

### IOWA

**Lockridge:** Lewis Everett Graf. **Sioux City:** R. V. Williams.

### KANSAS

**Kansas City:** John N. Ballance. **Wichita:** Robert Allen Page.

### KENTUCKY

**Danville:** Kenneth W. Stringer. **Lexington:** William Walter Thorp. **Louisville:** Curtis J. French, John W. McIntyre, Frank Stetson Walker, Seymour Weiss.

### LOUISIANA

**New Orleans:** Walter J. LeBreton, Jo R. Persons, Jr. **Shreveport:** Horace H. Jeter, Alton D. Kelly.

### MAINE

**Portland:** Walter M. Ranger.

### MARYLAND

**Baltimore:** C. W. Chamberlain, Jr., Curtis A. Davies, George H. P. Eierman, J. Gordon Naegele.

### MASSACHUSETTS

**Boston:** Richard L. Dube, Lewis M. Foster, Thomas J. Galligan, Jr., Edward F. Gibbons, Edward F. Hennessy, Joseph T. Hughes, Ralph M. Kelmon, Albert Slavin, Eric John Stenholm. **Springfield:** Herbert A. Pace.

### MICHIGAN

**Detroit:** Warner J. Canto, Sheldon William McGraw, Edwin W. Perttunen, David A. Scully, Jr. **Kalamazoo:** Robert S. Mickey, Jr.

### MINNESOTA

**Minneapolis:** R. H. Allen, Roger E. Bunker, William M. Dolan, Jr., Richard W. Draeger, Verol H. Olson, David H. Ritzen, Richard A. Rotegard. **St. Paul:** Maurice B. Langman.

### MISSISSIPPI

**Greenville:** John W. Tarver. **Gulfport:** C. A. McDonald.

### MISSOURI

**Columbia:** Wm. Estel Palmer. **Kansas City:** Joseph Bold, John J. Wampler, Jr. **St. Louis:** William J. Davis, John M. Murphy, Harold V. Pohlmeier, Earl Siegel.

### MONTANA

**Kalispell:** J. Austin Miller. **Missoula:** Donald J. Emblen.

### NEBRASKA

**Lincoln:** Carlyle A. Peterson, Max R. Swanson. **Omaha:** John G. Loucks.

### NEVADA

**Reno:** Leroy H. Chanslor.

### NEW JERSEY

**Atlantic City:** Joseph M. Lissak. **Jersey City:** John M. Sheehan. **Newark:** Ivan C. Snell. **Washington:** Henry Steinhardt.

### NEW MEXICO

**Albuquerque:** Dee Sturges.

### NEW YORK

**New Rochelle:** Barney Meckler. **New York:** Martin Auslander, Christian W. Bentele, William C. Brown, Curtis E. Doscher, James A. Doyle, Bernard J. Ellis, Elias Gerald Greenberg, Oscar Gruenfeld, Abraham S. Jacobson, Russell T. Johnson, Henry J. Kaplan, John Filimon Kolibachuk, Carl Krotki, Harold I. Okoshkin, William J. Osterberg, George W. Renc, Matteo C. Rizzo, George B. Sackett, Milton M. Sivek, Samuel Spiegler, Herbert S. Stiles, Israel Stoller, Carl M. Wahlberg, Harry Wilkov, Daniel Joseph Wynne, Max B. Yacker, Norman B. Yarmis. **Rochester:** Eugene Urban Roth.

### NORTH CAROLINA

**Enka:** Louis Garth Federlein. **Durham:** C. Anthony Ricca. **Greensboro:** Andrew J. Crane. **High Point:** Daniel Thomas Blue, Jr. **Kannapolis:** R. A. McClary.

### NORTH DAKOTA

**Grand Forks:** Thomas J. Clifford.

### OHIO

**Cincinnati:** John L. Fricker, William E. Moller, Medard F. Rafalske. **Cleveland:** John A. Bannach, Meyer Jacob Kohn, William Frederick Martin, Charles W. Soladay. **Columbus:** Milton G. Glas.

### OKLAHOMA

**Cushing:** Ben F. Bragg, Jr. **Oklahoma City:** Darwin A. Hostetter.

### OREGON

**Albany:** Karl M. Thomason. **Portland:** Carl C. Backstrom, Eugene J. Engstrom, Frank A. McMenamain, Jr.

### PENNSYLVANIA

**Allentown:** Homer O. Faylor. **Chester:** John F. Guiltinan. **Lancaster:** Irvin H. Weaver. **New Holland:** Charles A. Shenk. **Norristown:** L. H. Follet. **Philadelphia:** Fred Bryen, Arthur Carroll, Darl L. Cottrell, David D. Fishman, Leonard Glusman, Paul Grossman, George Kiehlkopf, Jr., A. Robert Mitchell, John B. O'Hara, Isadore Ressler, Martin Schaeffer, Irvin Sklar. **Pittsburgh:** Grant Harold Glausser, Samuel Horovitz, Donald F. Markstein, Carl T. Miller, Geo. C. Rattelman, John D. Sheppard. **Wilkes-Barre:** Bernard G. Dembert. **York:** Aaron Nathanson.

### RHODE ISLAND

**Providence:** Donald A. Jones.

### SOUTH CAROLINA

**Columbia:** Melvin E. Smith. **Greenville:** J. C. Leach. **Spartanburg:** Claud A. Morrison.

### TENNESSEE

**Kingsport:** James B. Holt. **Memphis:** Frank Waltern Andrus, Jr., J. Winfree Davis, Deane A. Noel, L. S. Minor. **Morristown:** Franklin W. Taylor. **Nashville:** Price B. Womack.

## Two National Firms Announce Merger

The merger of two national accounting firms—Peat, Marwick, Mitchell & Co. and Barrow, Wade, Guthrie & Co.—was announced last month. The new firm will be known as Peat, Marwick, Mitchell & Co.

Both of the firms were established before the turn of the century—Peat, Marwick, Mitchell & Co. in 1897 and Barrow, Wade, Guthrie & Co. in 1883.

The merger is the latest in a series of such combinations during recent years. Others include the mergers of Arthur Young & Company with Wideman, Madden, Dolan & Company and with Lunsford, Barnes & Company; of McLaren, Goode & Co. with West, Flint & Co. to form McLaren, Goode, West & Co.; and of Touche, Niven & Co., George Bailey & Company, and Allen R. Smart & Co. to form Touche, Niven, Bailey & Smart.

## Jay Golf Trophy Retired

George W. Sinderson of Joplin, Mo., is the permanent holder of the Institute golf trophy donated by Harry M. Jay of Memphis, Tenn. Mr. Sinderson won the 1950 tournament, the annual meeting golf committee reports, with a low gross score of 82 in a field of 38 players. This was his third victory.

### TEXAS

**Amarillo:** Porter R. Underwood, Jr. **Austin:** R. H. Bentley. **Dallas:** John W. Barton, W. B. Fryar, James B. Harrell, Albert A. Helfand, Robert E. Helms, Jr., Isham P. Nelson, Jr., H. J. Peters, Sidney B. Petrie, Fred M. Ramsey, Truxton Shaw, W. Clayton Tuggle. **Fort Worth:** Jack C. Cameron, Dan B. LaRue, Sr. **Houston:** Woodrow Ede, Karl D. Johnson, Dell Roy King, R. H. Taylor. **Longview:** Quincy C. Murphy, Jr. **San Antonio:** Louis C. Doehne, Leonard Edward Hoefgen, Jr., Miller Montag. **Sherman:** C. Rowan Batsell. **Waco:** James F. Goodman, John T. Peterson.

### UTAH

**Salt Lake City:** Horace R. Crandall.

### VIRGINIA

**Richmond:** F. E. Barden, Fred J. Bruner, Julian R. Irvin, H. Jack Lissenden.

### WASHINGTON

**Seattle:** George S. Douglas, Jr., Dean B. Hart, Robert E. Jensen, John McCutchen.

### WEST VIRGINIA

**Charleston:** Donald P. Krisher.

### WISCONSIN

**Appleton:** Gerald O. Dahlke. **Hamburg:** E. C. Koenig. **Madison:** Russell S. Wenzlaff. **Milwaukee:** Howard B. Sapiro. **Racine:** Paul A. Junkhan.

### WYOMING

**Cheyenne:** Delton E. Bagne.

### HAWAII

**Honolulu:** Milton Cades, Kanichi Fujii.

### VENEZUELA

**Caracas:** Harry P. McNaughton.

## O'Brien Heads Hotel Group

Daniel J. O'Brien of Toledo, Ohio, has been elected president of the American Hotel Association. Mr. O'Brien, a native of Ireland, was first employed in this country as a hotel information clerk in New York City. He has been associated with leading hotels in New York, Philadelphia, Washington, D. C., and Chicago, and is now chief executive of Hotels Commodore Perry, Seacor, and Willard in Toledo.

E. E. Armstrong, Shreveport, La.: Named Director of Speakers' Bureau, Caddo-Bossier Community Chest.

James B. Burlison, Dallas, Texas: Established scholarship at University of Oregon for accounting student.

Paul Grady, New York, N. Y.: Chairman of committee on United Hospital Fund drive.

Jerome J. Kern, New York, N. Y.: Appointed Special Assistant District Attorney of Kings County; responsible for the administration of the Brooklyn gambling probe, and for the accounting phases of this investigation.

Harold M. Solstad, Minneapolis, Minn.: President, Twin Cities Harvard Business School Association.

Felix T. Terry, Houston, Texas: Established four-year scholarship at Texas A & M College.

Harry Anderson, Tacoma, Wash.: Trust Officer, National Bank of Washington.

Walter R. Seibert, New York, N. Y.: Comptroller, Sylvania Electric Products, Inc.

Leslie Surginer, Arlington, Va.: Chief of Finance Division, Rural Electrification Administration.

R. Kenneth Winters, Dallas, Texas: Controller, Airmaid Hosiery Mills.

## Speaking Dates For Officers, Staff

Recent speaking engagements of Institute officers and staff include:

*President T. Coleman Andrews:* Oct. 12, Bank of Richmond (Va.); Oct. 14, Michigan Association and University of Michigan, 25th Annual Accounting Conference; Oct. 20, Middle Atlantic Actuarial Club, Richmond; Oct. 26-27, Georgia Society and University of Georgia, Fourth Annual Accounting Institute; Oct. 26-27, South Carolina Association annual meeting; Nov. 5-7, Robert Morris Associates Annual Conference at White Sulphur Springs, W. Va.; Nov. 13, Clifton Forge Cham-

ber of Commerce and Covington Junior Chamber, joint meeting at Covington, Va.; Nov. 16, Greensboro (N. C.) Kiwanis Club; Nov. 16-18, Eleventh Annual Symposium on Accounting and Taxation sponsored by North Carolina Association, University of North Carolina, and Duke University; Nov. 21, New Jersey Society, American Institute Night; Nov. 30, American Management Association Finance Conference, New York; Dec. 7-9, Florida Institute semi-annual convention; Dec. 15, Franklin (Va.) Rotary Club.

*Vice President Gordon S. Battelle:* Oct. 18, Columbus Chapter, Ohio Society.

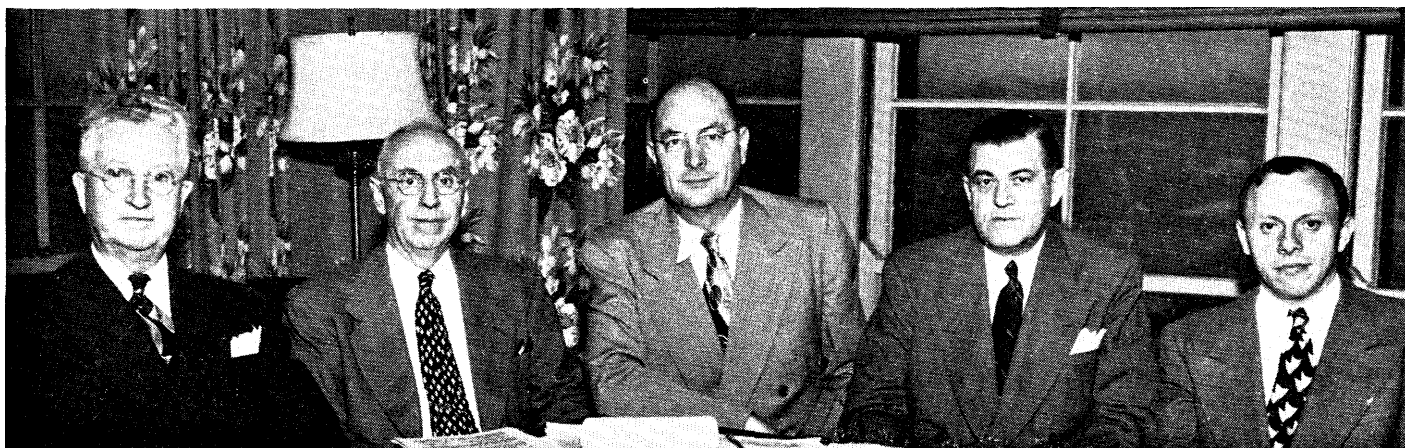
*Vice President Richard C. Mounsey:* Oct. 9, Colorado Society, Denver.

*Vice President Frank L. Wilcox:* Oct. 6, Tulsa Chapter, Oklahoma Society; Oct. 26-27, Third Annual Louisiana Accounting Conference, sponsored by Society of Louisiana CPAs and Louisiana Polytechnic Institute.

*Executive Director John L. Carey:* Nov. 28, St. Louis Control of Controllers Institute; Nov. 29, St. Louis Chapter of Missouri Society; Nov. 30, Kansas City Chapter of Missouri Society.

*Research Director Carman G. Blough:* Oct. 27-28; South Carolina Association; Nov. 16-18, North Carolina Symposium; Dec. 2, Vermont Society.

## AIA Members Named to Top Posts by Municipal Finance Officers



The Municipal Finance Officers Association has appointed three Institute members to the executive committee of its national committee on governmental accounting: (l to r) Fayette H. Elwell, University of Wisconsin; Lloyd Morey,

University of Illinois; Chairman Joseph M. Lowery, Auditor of Los Angeles County. The others are Joseph F. Clark, Chicago, secretary to the committee; and Irving Tenner, Chicago, committee consultant and also an AIA member.

# Death Claims Leaders of Accounting Firms in Four States

Thomas W. Brown of New York City, a partner in Touche, Niven, Bailey & Smart, who joined the Institute in 1935, died in South Nassau County Hospital at Oceanside, L. I., New York, on November 28 after a long illness. He was born in Keyport, N. J., 52 years ago and was a graduate of the local high school and New York University.



**Mr. Brown**

In 1920, Mr. Brown entered public accounting practice as a junior with Peat, Marwick, Mitchell & Co., in New York. Four years later he joined the New York staff of Touche, Niven & Co., and was a partner from 1945 until his death. Following a merger with George Bailey & Company and Allen R. Smart & Co., in 1947, the firm was known as Touche, Niven, Bailey & Smart.

T. Cedric Browne of Santa Monica, Calif., died October 21 in a Beverly Hills hospital, following a heart attack, at the age of 43. Mr. Browne who was born in Toronto, Canada, came to Santa Monica as a boy of 13. While studying at the University of California in Los Angeles, and after graduation, he was employed by the Harry L. Nourse Audit Company of Santa Monica. He became a partner in 1938 and, in 1949, purchased the interest of Mr. Nourse in the firm and continued its operation under his own name.

Fred L. Main, New York City, partner in Main and Company and an AIA member since 1922, died suddenly at his home in Upper Montclair, N. J., on November 9 at the age of 69. Mr. Main was born in Titusville, Penn., studied at the high school there and at Oil City (Penn.) Business College, and took a special course at Columbia University.



**Mr. Main**

Mr. Main was a certified public accountant of New Jersey, Pennsylvania, and New York. He had been secretary and treasurer of the New York State Society of CPAs and a member of important committees of the Pennsylvania and New Jersey Societies. He was a brother and partner of Frank Wilbur Main of Pittsburgh.

C. L. Castles, with the Denver office of Ernst & Ernst, died November 10 at the age of 40. Mr. Castles was a native of St. Paul, and studied at the University of Minnesota. Prior to service with the Ordnance Department of the Army, in World War II, he was employed for six years by Ernst & Ernst in Minneapolis.

Charles E. Mather of New York City, founder of Stagg, Mather & Hough and a member of the Institute and predecessor organizations since 1916, died on November 21 at the age of 84 following a heart attack. Mr. Mather was born in England, and studied there and in Germany before coming to the United States in 1906. He



**Mr. Mather**

was a chartered accountant of England and Wales; a certified public accountant of New York, New Jersey, and Ohio; and a past president of the New Jersey Society of Certified Public Accountants. At the time of his death he was a consultant to the New York CPA firm of Stagg, Mather & Hough from which he retired in 1948.

Frederick C. Rohwerder of New York City, partner of Haskins & Sells and an Institute member since 1923, died in New York Hospital on November 10 at the age of 63. Mr. Rohwerder was a native of Brooklyn, a CPA of New York, and a member of the New York State Society of Certified Public Accountants.



**Mr. Rohwerder**

Mr. Rohwerder joined the New York staff of Haskins & Sells in 1919, and became a partner five years later. He held numerous administrative positions in the firm, and for many years organized and conducted tax-training classes.

Maxwell E. Lerner of Hartford, Conn., died in October at the age of 55. After graduating from New York University in 1922, he was a field examiner with the Hartford office of the Internal Revenue Bureau for a year. Shortly afterward he established under his own name, in Hartford, a public accounting practice which he continued to conduct until the time of his death. Mr. Lerner was a member of the Connecticut Society of Certified Public Accountants.

## FIRM ANNOUNCEMENTS

BRYAN AND SMITH have moved to Suite 1904, 220 South State St., Chicago 4, Ill.

EATON & HUDDLE, of San Antonio, Texas, have admitted Donald R. Eaton to partnership.

IRA L. HOUGHTON and ERNEST A. PETERSON have formed the partnership of Houghton & Peterson, Fourth National Bank Building, Wichita 2, Kansas.

KENNETH F. LACY, 233 Fairfield Building, Shreveport, La., has opened an office in Citizens State Bank Building, Marshall, Texas.

MCLAREN, GOODE, WEST & Co. have admitted to partnership M. N. Chetkovich of San Francisco, and Lorin H. Wilson of Seattle.

MOBERLY, WEST & GALVIN, with offices in Wichita, Kansas, and Colorado Springs, Colorado, have acquired the accounting practice of Montgomery R. Smith at 610 California Building, Denver 2, Colo.

F. W. NICHOLS has moved to 1214 Brown Marx Building, Birmingham, Ala.

PROSNITZ, ANDERSON & Co. of 295 Madison Ave., New York City, have opened a branch office at 135 South La Salle St., Chicago 3, Ill., in charge of William M. Cooper, resident partner.

EDGAR C. SALVESEN has resigned as a resident associate of Archibald M. Peisch & Company, Norwich, Vermont, and will practice public accounting under his own name in Brattleboro, Vermont.

TUPPER, MOORE & Co., 390 Main St., Worcester 8, Mass., have acquired Business Accounting Service, 83 State St., Springfield 3, Mass. The latter practice will be continued, at the same address, as the Springfield office of Tupper, Moore & Co., with Charles E. Quatela as resident manager.

The  
**CPA**

**The Certified Public Accountant**  
270 Madison Ave., New York 16, N. Y.

**INSTITUTE OFFICERS**

**PRESIDENT: T. Coleman Andrews**  
**VICE PRESIDENTS: Gordon S. Battello,**  
**Richard C. Mounsey, Frank L. Wilcox,**  
**John H. Zebley, Jr. TREASURER: Harold**  
**R. Coffyn, EXECUTIVE DIRECTOR: John**  
**L. Carey.**