

1-1-1917

Letter sent to the members and associates of the American Institute of Accountants

W. Sanders Davies

George Oliver 1875-1961

Follow this and additional works at: https://egrove.olemiss.edu/aicpa_assoc



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

Recommended Citation

Davies, W. Sanders and Oliver, George 1875-1961, "Letter sent to the members and associates of the American Institute of Accountants" (1917). *Association Sections, Divisions, Boards, Teams*. 259.

https://egrove.olemiss.edu/aicpa_assoc/259

This Book 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 Association Sections, Divisions, Boards, Teams by an authorized administrator of eGrove. For more information, please contact egrove@olemiss.edu.

American Institute of Accountants

20 VESEY STREET
NEW YORK

March 12, 1917,

To the Members and Associates
of the
American Institute of Accountants.

Dear Sirs:—

It gives me great pleasure to enclose herewith copies of two letters addressed to me as President of the Institute by our esteemed member, Mr. George O. May.

The first letter was laid before the Executive Committee and the members of the Council, and the objects stated therein have been duly approved by both.

I have appointed a special committee of the Institute to consider the proposal and report to the Council at the April meeting.

While the offer itself is more than generous, and has been duly acknowledged by the Executive Committee, yet I am sure you will agree with me that Mr. May is to be congratulated on the splendid ideal he puts before us of making the profession worthy of itself.

After receipt of the first letter I suggested to Mr. May that he outline more fully what he had in mind, and in transmitting the copies of these letters to you I cannot refrain from saying that the idea of national headquarters with all it implies, such as library, statistical department and a department to which any member or associate may turn for information as to correct procedure or for assistance on especially knotty problems encountered in practice, with many other advantages which must be left to the special committee to present to us, is one that must appeal to every member and associate of the Institute.

For years it has been our aim to make the profession one to be respected and our efforts crystalized in the present form of membership last September. Now we have before us a plan for the definite anchoring of the profession and the leaving to posterity of the nucleus of a home where everything will be for the profession by the profession.

Please give the matter your earnest consideration, as the advantages to be derived by all of us, no matter where we may be resident, from the consummation of a plan such as is outlined will appear very real at the moment, and as your mind dwells on the proposal, new advantages to the profession at large will constantly present themselves to you.

In due course you will hear further on the matter.

Meanwhile, I remain,

Very truly yours,

W. SANDERS DAVIES,

President.

Enclosures :

(COPY)

PRICE. WATERHOUSE & CO.
54 WILLIAM STREET
NEW YORK

February 1, 1917.

W. Sanders Davies, Esq.,
President, The American Institute of Accountants,
103 Park Avenue, New York City.

My dear Mr. Davies:—

Some of my partners and myself have long had it in mind that we should like to do something financially to advance the work of the profession and personally I have felt that this year, as it marks the completion of twenty-five years in accountancy for me, was an appropriate time for such action.

As you are perhaps aware, my firm has for the last ten years developed its library and statistical department in New York to a considerable extent, and the appreciation of the value of this central reservoir of information to our branch offices has led me to think that the establishment of something similar, which would be available to all the members of the Institute, might be one of the most useful ways of serving the profession.

I have assumed that the Institute's finances would not at present, or in the near future, permit of its undertaking such work out of its own resources. Recently Mr. Sells took up with me a somewhat similar question and in the course of our conversation I outlined to him the ideas which I have had in mind and finding that they met with a ready response from him I now bring the subject to your attention.

My idea is that a capital sum should be provided, the income from which would be used to support a central library and statistical department connected with the Institute in New York. This department could compile statistical information of value to accountants from periodicals and other public sources and also by contributions from accountants (so far as these could be made properly and without any breach of professional confidence), and the information so compiled could be made available to all members of the Institute throughout the country.

In the tentative talk which Mr. Sells and I have had we have thought that the income from \$100,000 or \$150,000 would enable a great deal to be done in the direction indicated. If this plan should be carried out I would be willing to guarantee contributions towards such a fund from members of my firm, including myself, to the extent of \$25,000.

I will not attempt to deal with details of the plan except to emphasize that the object I have in mind is to do something that would be beneficial to members of the profession now in practice. The Institute is asking governmental bodies and the public to place an increasing degree of confidence in its members; at the same time it is forced to admit that some part of the membership of the profession is not equal to its responsibilities. To do so invites inquiry as to what the Institute is doing to make those members more nearly equal to their responsibilities. It is my thought that the adoption of the plan I have outlined would help to answer such inquiries; would strengthen the Institute's position in relation to its members; and would improve the standing of its membership with the general public.

With kindest regards,

Yours very truly,

(Signed) GEORGE O. MAY.

(C O P Y)

54 WILLIAM STREET
NEW YORK

March 6, 1917.

W. Sanders Davies, Esq.,
President, The American Institute of Accountants,
103 Park Avenue, New York City.

My dear Mr. Davies:

I have much pleasure in complying with your suggestion that I outline more fully the purposes I had in mind in proposing that a special fund should be raised by the Institute.

I do not think I can state my general idea better than to say it is: That the Institute should act in relation to its members, and particularly to those carrying on small practices, whether remote from New York or not, as far as possible in the same relation as the head office of a large firm does to its entire organization.

From experience I know how valuable such a relation is to scattered members of an organization far from New York. In its two main phases such a head office constitutes

- (a) A business home for members of the organization when in New York, and
- (b) A central reservoir of information and advice on questions of fact, principle or ethics with which they are called upon to deal.

Of the two I believe the second is the more fundamental and therefore while I should like to see the New York office of the Institute extended so as to form more of a headquarters for the profession, I believe a modest step in that direction is sufficient now. More ambitious plans can, and doubtless will, be developed as the profession grows in numbers, financial strength and public esteem.

To accomplish anything worth while in the second direction will necessitate, first, personal effort from leading accountants, particularly in New York, and, second, funds to defray the expense of the necessary machinery for collection and distribution of information.

The profession suffers from a lack of adequate text books, collected precedents and other means of information and education of general availability. The best work, the most valuable decisions and the most progressive developments of accountancy are so far as the profession in general is concerned buried in the files of individual accountants. I believe, however, most members would be willing to co-operate in making such valuable work more generally available (subject always of course to the rules of professional confidence) and I believe many members would welcome the opportunity to, make use of it.

My thought is that the Institute should maintain a Library and a Statistical and Advisory Bureau, to which members could apply for information or advice. Where information could not be furnished from the files, application should be made to members of the Institute likely to be

able to furnish it and if obtained the information could be transmitted to the inquirer, if desired, without the identity of either the member making the inquiry or the member furnishing the reply being disclosed to anyone except the Secretary and his staff.

The Secretary of the Institute would be responsible for seeing that answers were drawn only from reliable sources, and a committee would doubtless be appointed to assist in the work and exercise general supervision over it.

My firm has for many years maintained such a bureau for use by its various offices, and would be glad to place records it has compiled at the service of the Institute, so far as it can do so without any breach of confidence. It would be glad also to give the Institute the benefit of its experience in organizing the proposed bureau and to arrange for co-operation therewith in the future of our statistical staff.

From discussion I have had with prominent accountants I am sure they would be glad to cooperate in the same spirit.

The Institute has been formed at a moment when the opportunities of the profession are exceptional. The recent conferences with the Federal Reserve Board and Federal Trade Commission have shown that they look to the accountants of the country to render far greater service in the future than they have in the past. They also expect them to fit themselves for this larger work and wider responsibility.

If the Institute is to hold the position it ought to hold it must undertake to help its members in their efforts towards greater efficiency, and after mature deliberation my partners and I cannot think of any program more promising than that which I have outlined.

We have, therefore, been willing to offer something towards meeting the financial problem of providing the machinery and shall always be ready to do everything in our power to make that machinery accomplish as far as possible the desired purpose.

Yours sincerely,

(Signed) GEORGE O. MAY.