

University of Mississippi

eGrove

Publications of Accounting Associations,
Societies, and Institutes

Accounting Archive

1903

Report upon the third annual convention of the Federation, held at the new Willard Hotel, Washington, D.C., October 20, 1903; Bulletin No. 3 (Federation of Societies of Public Accountants in the United States of America)

Federation of Societies of Public Accountants in the United States of America

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

Recommended Citation

Federation of Societies of Public Accountants in the United States of America, "Report upon the third annual convention of the Federation, held at the new Willard Hotel, Washington, D.C., October 20, 1903; Bulletin No. 3 (Federation of Societies of Public Accountants in the United States of America)" (1903). *Publications of Accounting Associations, Societies, and Institutes*. 27.
https://egrove.olemiss.edu/acct_inst/27

This Article is brought to you for free and open access by the Accounting Archive at eGrove. It has been accepted for inclusion in Publications of Accounting Associations, Societies, and Institutes by an authorized administrator of eGrove. For more information, please contact egrove@olemiss.edu.

Federation of Societies of Public Accountants

IN THE UNITED STATES OF AMERICA

BULLETIN No. 3

REPORT UPON THE ANNUAL CONVENTION

HELD AT WASHINGTON, D. C.

20 OCTOBER 1903

SECRETARY'S OFFICE
52 BROADWAY, NEW YORK

Federation of Societies of Public Accountants

IN THE UNITED STATES OF AMERICA

BULLETIN No. 3

REPORT UPON THE ANNUAL CONVENTION

HELD AT WASHINGTON, D. C.

20 OCTOBER 1903

SECRETARY'S OFFICE
52 BROADWAY, NEW YORK

Federation of Societies of Public Accountants In the United States of America

Report Upon the Annual Convention of the Federation, Held at
the New Willard Hotel, Washington, D. C.,
October 20, 1903.

The meeting of the delegates was called to order at 10:45 a. m., by the President of the Federation, Farquhar J. MacRae, C. P. A., of New York.

PRESENT.

There were present the following elected delegates:

New York State Society—John R. Sparrow, Jas. A. McKenna, Edward L. Suffern.

Pennsylvania Institute—J. E. Sterrett, Robert H. Montgomery.

Massachusetts Association—Harvey S. Chase.

Maryland Association—Max Teichmann, Frank Blacklock.

Illinois Association—John A. Cooper, J. Porter Joplin.

Ohio Society—J. Albert Miller.

In addition to the elected delegates the following Presidents were in attendance at the Convention:

Farquhar J. MacRae, C. P. A., of New York.

Wm. M. Lybrand, C. P. A., of Pennsylvania.

Max Teichmann, C. P. A., of Maryland.

J. S. M. Goodloe, C. P. A., of Ohio;

also H. W. Wilmot, A. C. A., C. P. A., ex-Vice-President of the Illinois Association of Public Accountants.

ABSENT.

Ernest Reckitt, C. P. A., President of the Illinois Association of Public Accountants, was unable to attend, but was represented by H. W. Wilmot.

Herbert F. French, President of the Incorporated Public Accountants of Massachusetts. (No advice received by Secretary; last received letter expressed hope he could attend.)

John H. Clegg, President of the Incorporated Michigan Association of Public Accountants. (Unable to attend.) And

A. Lowes Dickinson, M. A., F. C. A., elected delegate for the Illinois Association; in Europe, but represented by Alternate J. Porter Joplin.

After the report of the Committee on Credentials had been received and approved, the Secretary read the minutes of the previous Convention, which were duly approved.

The President of the Federation, Mr. Farquhar J. MacRae, who is also President of the New York State Society of Certified Public Accountants, then read an address, which dealt generally with the work of the Federation, as follows:

"The several associations and societies of public accountants in various States have been brought in touch with each other; associations of public accountants have been formed in states where they did not exist before, owing to the encouragement and assistance given by the Federation; and an attempt at least has been made to secure recognition of the accounting profession from the Federal Government, which, perhaps, will bear fruit in the future.

"The usefulness of the Federation in the future will largely consist, I think, in keeping up the 'community of interest' which has been established among accountants of various states, and by the best means that can be determined, to educate the public to a knowledge of the value of the services of the public accountant; and to obtain such legislation from Federal and States Governments as will benefit the profession as a whole.

"The New York State Society, by fostering the School of Commerce, Accounts and Finance, connected with the New York University, and contributing in various ways to its success, has facilitated the training of young members of the profession, and the C. P. A. Law of New York State has established a standard, which, if followed in the other states where C. P. A. Laws are passed, will establish a uniform standard of efficiency throughout the Union."

The chairman of the legislative committee, Mr. Max Teichmann, then read a report, which told of his efforts in November, 1902, to prepare the way to secure a Federal Charter, that such efforts were then premature and that nothing could be done at the Fifty-seventh Congress.

Mr. Teichmann also reported having had considerable correspondence with members of the National Legislature and with high Government officials, including President Roosevelt, Secretary Cortelyou, and Attorney-General Knox.

Reviewing the work accomplished by the Fifty-seventh Congress, Mr. Teichmann reported that "Out of a large number of bills, touching on the

subject of Trust Legislation, only four have been enacted by Congress and approved by the President, namely: A bill appropriating half a million dollars to be used by the Attorney-General in the employment of expert legal talent in anti-trust suits; a bill to expedite cases pending in the Federal courts against monopolies; the so-called "Publicity bill," and the Elkins anti-rebate bill.

"These four bills will not work detrimentally to our cause," concludes Mr. Teichmann's report. "In fact, we have every reason to believe that the one creating the Department of Commerce will do us good."

The report read by Mr. Teichmann was referred back to the Executive Board. Later the Executive Board referred Mr. Teichmann's report back to the new Legislative Committee, who will take up the matters therein dealt with at a meeting to be held early in November.

The Secretary was then called upon to read his annual report to the Federation, which was in part as follows:

"In accordance with the instructions of the Executive Board, the Secretary has the honor to report as follows:

MEETINGS OF THE EXECUTIVE BOARD.

"There have been two meetings of the Executive Board during the year, namely, at *The New Willard Hotel*, Washington, D. C., October 28, 1902, immediately following the Convention, ten members of the Executive Board being present; and again at *The Stenton*, Philadelphia, Pa., February 5, 1903, nine members being present; while at the latter meeting Mr. John H. Clegg, of Michigan, was represented by Mr. Nicholas Woods.

NEW MEMBERS.

"The Ohio State Society of Public Accountants, with sixteen (16) members, and the California Society of Certified Public Accountants, with sixteen (16) members, having been organized since the date of the last Convention, and having complied with all the requirements stipulated in the By-laws, have been unanimously elected members of the Federation."

AMERICAN ASSOCIATION OF PUBLIC ACCOUNTANTS.

"On December 17, 1902, a majority of the members of the American Association of Public Accountants, at a meeting held in the Mutual Life Building, in the City of New York, voted that the Association should not join the Federation.

"Since that time efforts have been made to secure a reversal of that decision, but to no avail. These efforts found their culmination in an

informal meeting held by the invitation of Mr. A. Lowes Dickinson, at his office in New York, on the 13th of August, when there were present Mr. F. W. Lafrentz, President of the American Association of Public Accountants; Mr. A. L. Dickinson, Mr. Richard F. Stevens, of Newark, and the President and Secretary of the Federation."

As a result of the meeting at Mr. Dickinson's office, Mr. Stevens, of Newark, who had represented the American Association at the Washington Convention October 28, 1902, and the Secretary tried to come to an understanding by which they could join in a report to the Advisory Committee of the American Association, but after considerable hard work this was found to be impossible. Mr. Stevens made his report and Mr. Wilkinson made his. The latter has never been acknowledged by President Lafrentz.

The Secretary's report continues:

NEW JERSEY SOCIETY.

"No official communication has been received from the 'Society of Certified Public Accountants in the State of New Jersey,' but the President of that society, Mr. Richard F. Stevens, C. P. A., has repeatedly expressed himself in favor of the society becoming a member of the Federation. The present annual dues of the society are but five dollars per member, which will have to be doubled when it joins the Federation.

"The Legislature of the State of New Jersey will meet again the first of next year, and a further effort will be made to pass a C. P. A. bill. If successful the society will have some right to its name and will promptly raise its dues and take its place with the other federated societies.

"No efforts have been made during the past year to force the situation in Jersey, but the President of the Society has been kept constantly advised of the progress of our work and has shown himself to be warmly interested therein."

NEW SOCIETIES.

"The object to which the particular attention of the Executive has been given during the first year of the existence of the Federation has been:

- (B) "To encourage the formation of State associations of Public Accountants in States where they do not exist."

"The work done in trying to give effect to this object is told in a report made by the Secretary to the President of the Federation, which reads in part as follows:

MISSOURI.

"On September 17th I called a meeting of the Public Accountants practicing in St. Louis, to be held at the office of Messrs. Jones, Caesar & Co.,

Stock Exchange Building, St. Louis. The following gentlemen were present:

"Messrs. William K. Spinney, H. W. Belding, J. Percival Smith and W. E. Plant, Public Accountants, practicing in their own names;

"Mr. Geo. O. May, a partner, and Mr. W. Perrott, local manager of the firm of Messrs. Jones, Cæsar & Co.

"Mr. J. Sylvanus, manager of the Inter-State Audit & Appraisement Company. and Mr. H. T. Westermann, manager for Messrs. Pogson, Peloubet & Company.

"In addition to the above-named, there are several Public Accountants of good standing in St. Louis and a few in Kansas City who will be eligible for membership in the Missouri Society.

"Resolutions were passed organizing a society to be called the Missouri Society of Public Accountants."

"Mr. William K. Spinney was elected temporary Chairman, and Mr. H. T. Westermann Secretary pro tem.

"The writer was requested to formulate a draft for a Constitution and By-laws, to be submitted to a committee to be named by the Chairman, and this was done.

"The objects of the Federation and the work that has been accomplished up to date were explained to the meeting, also the work that has been done in the several States where C. P. A. laws have been passed."

LOUISIANA.

"On Saturday, September 20th, I called a meeting of the Public Accountants practicing in New Orleans, at the Hotel Grunewald, when resolutions were passed effecting the temporary organization of the 'Louisiana Society of Public Accountants.' The following gentlemen were present:

"Mr. A. M. Benedic, a public accountant in good standing and an attorney-at-law.

"Mr. P. W. Sherwood, a public accountant of long standing, and a man of many years' experience; also Messrs. A. A. Hart, E. S. Rapiet and Robert C. Lloyd, all of whom are personally known to me as practicing public accountants.

"Mr. August Salaun, Jr., one of the oldest practicing accountants in Louisiana, was unable to be present at the meeting, but expressed his hearty co-operation with the work and his willingness to join the society.

"In like manner the work of the Federation and the history of the C. P. A. movement were told at the meeting and considerable enthusiasm was manifested.

"A committee was appointed to prepare plans for incorporating the society under a State charter and to prepare a Constitution and By-laws."

KENTUCKY.

"On Saturday, September 26, I succeeded in securing a meeting of five of the best and most highly reputed public accountants practicing in

Louisville, Ky., the only city in that State where any public accountants are to be found. There were present:

"Messrs. James W. Baird, S. S. Eastwood, B. P. Weaver, Leonard Comingor and William S. Parker.

"These gentlemen are all highly reputed locally, and I learned, from different sources, all are thoroughly to be relied upon.

"Two or three other public accountants of recognized good standing who were unable to be present at the meeting, owing to their absence from Louisville, have expressed their willingness to join the society and co-operate in the work.

"The objects of the Federation and the work that has been accomplished were fully gone over. A great many questions were asked and answered.

"A resolution was passed effecting a temporary organization of the 'Kentucky Society of Public Accountants,' and Mr. James A. Baird was unanimously elected chairman."

TENNESSEE.

"In like manner I carefully investigated the standing of local accountants in the State of Tennessee, of which there are a large number listed in the directory, but after exhaustive inquiries I found that only a very limited number were of sufficient standing to be eligible in a federated society, and therefore no official meeting was called.

"The few public accountants whose local reputations could be regarded as being first-class in every respect were fully advised personally as to the objects and work of the Federation."

WASHINGTON.

"Correspondence is still pending with regard to the Washington Society joining the Federation, but their formal application is being delayed until they shall have reorganized the Washington Association of Public Accountants into the Washington Society of Certified Public Accountants."

PROSPECTIVE SOCIETIES IN OTHER STATES.

Inquiries are being made in regard to the standing of local accountants practicing in certain other States, and, as opportunities offer, further State societies will be organized. Care will always be taken to deal only with public accountants of good local standing, in order that a high standard of professional efficiency may be maintained in all new societies.

KANSAS ASSOCIATION.

There has been a long correspondence between the Secretary of the Federation and the President of the Incorporated Kansas Association of Public Accountants, in regard to their issuing C. P. A. certificates.

The Secretary went on to report that the Kansas Association had

secured a State charter authorizing the Association to grant the degree of "Certified Public Accountant," and that it appeared from the inquiries he had made that the brethren in Kansas had a right to use that designation in their own State. Continuing, the Secretary reports:

"The manner in which this subject should be handled will be taken up by the Executive Board at its annual meeting following the meeting of the Convention, and we hope to get the Kansas Association to forego the rights acquired under their charter until they have secured the passage of a proper C. P. A. law."

MEMORIAL TO SECRETARY OF COMMERCE.

The visit of a deputation of the Federation to Washington on July 22d last was then recited and the Memorial to the Honorable George B. Cortelyou quoted.

Full particulars of this important matter have been sent out to all concerned in Bulletin No. 2, dated July 28th, 1903.

The Secretary's report was unanimously accepted.

The report of the Treasurer, Mr. Robert H. Montgomery, of Pennsylvania, was then read and accepted.

The following is a synopsis of the Treasurer's report:

RECEIPTS.

Annual dues of Federated Societies.....	\$885.00
Voluntary subscriptions	1,590.00
	\$2,475.00

PAYMENTS.

Vouchers Nos. 1 to 64, inclusive, certified by the Secretary and approved by the President, as per details below:

Organization expenses	\$115.40
General expenses	91.85
Officers' traveling expenses	61.41
Executive Board expenses	162.25
Expenses of deputation to Washington.....	94.60
	\$525.51
Carried forward	\$2,475.00

Brought forward	\$525.51	\$2,475.00
Executive Committee expenses.....	23.80	
Legislative Committee expenses.....	168.00	
Clerical assistance	344.60	
Stenography and typewriting.....	233.97	
Stationery and Supplies for Secretary's office.....	81.48	
Other expenses of Secretary's office.....	72.09	
Total payments		\$1,449.45
Balance on hand, deposited with Farmers' Loan & Trust Co., New York		\$1,025.55

Respectfully submitted,

(Signed) ROBERT H. MONTGOMERY, Treasurer.

Audited and found correct,

(Signed) FRANCIS HOW.

October 14, 1903.

AUDITOR'S REPORT.

The report of the Auditor was then read by the Secretary as follows:

"I beg to report that I have audited the books and accounts of the Federation of Societies of Public Accountants from organization to September 30, 1903, and hereby certify that the same have been found correct, and all receipts and disbursements properly accounted for.

"I am returning books, vouchers, etc., to your office.

"Yours very truly,

(Signed)

"FRANCIS HOW."

Mr. Farquhar J. MacRae, C. P. A., President of the New York State Society of Certified Public Accountants, then read his annual report as follows:

We now have 101 members of the Society.

The meetings of our Society are held monthly except during the months of July, August and September; we have therefore had nine meetings during the past year. The average attendance is about twenty-five, some meetings being much larger, while others have a smaller attendance. Owing to the fact that many of our members may be said to be temporarily resident of other Cities, an attendance of thirty-five out of our membership of about 100 should be considered extremely good.

Most of our meetings have been devoted to the general business routine of the Society, and our social or professional intercourse has been more pronounced after the adjournment of the business meeting.

Within the last eighteen months the Society has had the pleasure of

listening to addresses on various subjects, among which are the following:

"The Relation of Economics to Higher Accounting," by Prof. Joseph French Johnson.

"The Balance Sheet," by A. O. Kittredge, C. P. A.

"Two Principal Theories of Accounting," by Prof. Joseph Harcastle, C. P. A.

"Depreciation," by Francis How, C. P. A., and other gentlemen of our Society.

The New York University School of Commerce, Accounts and Finance was the result of the efforts through the Special Committee of our Society appointed in December, 1899. The Committee consisted of five members of our Society, of which Mr. H. R. M. Cook was Chairman. In June, 1900, this Committee attended a meeting of the Committee from the Trustees of the University in which the outline of a course of study for the proposed school was submitted.

The opening of the new School of Commerce, Accounts and Finance and the success which followed are well known to all. The Society refers with much pride to the fact that the professors in all branches of accountancy were taken from the membership list of our Society, and that notwithstanding the great obstacles the first year was a most decided success. Although the members of the Society may not at present, nor in the future, in the same proportion occupy the Chairs of Accountancy in the School of Commerce, Accounts and Finance, the Society thinks that the good which it has done in this direction in starting a school of accounts, in undertaking the pioneer work of formulating the studies for the scholars of accountancy, in assuming the burden of teaching in this school, in helping to place the profession upon its true basis (that is, in establishing a learned profession within a seat of learning), has done much to elevate accountancy. In this school or any other school which is founded upon a like proposition should be taught the theory of accounts, the practice of accounts, and the philosophy of accounts.

That the State and City of New York do recognize the Certified Public Accountant as the proper man to handle the Government or municipal accounts is shown by the fact that in New York City one of the Commissioners of accounts is a Certified Public Accountant, and many of the most prominent and efficient men in the Municipal Accounting Departments are Certified Public Accountants. The Auditor of the Board of Education is a Certified Public Accountant, and undoubtedly in the near future many other of the Certified Public Accountants of this State will be offered the work which their ability and integrity should command.

Mr. William M. Lybrand, C. P. A., President of the Pennsylvania Institute of Certified Public Accountants, then read his report.

The Institute, Mr. Lybrand said, was at a disadvantage in having

nearly one-third of its members at Pittsburg, and thus prevented from participating in the active work of the Institute at Philadelphia. Lack of ample funds had held them back, but a great deal had been accomplished during the year. On the important work done by the Institute on educational lines, Mr. Lybrand's report is quoted in full:

"The Institute had long been impressed with the necessity of providing some means by which the young accountant determined to obtain his C. P. A. degree, might have the opportunity of obtaining some instruction that would help him in the C. P. A. examination, and more important still—that might impress him with the responsibilities of his position when he comes to practice, and instill in his mind the fundamentals of the profession.

"After a careful study of the situation the Committee on Education, of which Mr. J. E. Sterrett is chairman, decided to inaugurate an evening class under the direct control of the Institute. The course of instruction was to follow the lines of the four parts of the C. P. A. examination, namely, Theory of Accounts, Practical Accounting, Auditing and Commercial Law; and four instructors (one for each branch) were to be secured from among the members of the Institute.

"For the first year it was decided to open the class virtually only to assistants employed in the offices of members of the Society, with the exception that each member thereof might, if he chose, recommend one outside student. To cover expenses, a fee of \$10 was charged each student. The total enrollment was nineteen, which was about the capacity of the room in the members' office in which the class was held. This number was obtained without solicitation or advertising, and indeed an effort was necessary to keep down the number rather than to add to it.

"Each of the four instructors arranged for a course of about twelve lectures extending from October to May. The class met once each week for two hours, two subjects being covered in one evening and the remaining two the next week, and so on alternately.

"Although an occasional substitute was necessary, the courses as a whole were adhered to faithfully and at considerable sacrifice. The services of the instructors were rendered gratis, except for a nominal sum for expenses.

"The instructors were:

Theory of Accounts—Robert H. Montgomery.

Auditing—James W. Fernley.

Practical Accounting—Wm. M. Lybrand.

Commercial Law—H. G. Stockwell.

"The attendance of the students was good, taking into consideration out-of-town engagements and night work, and the interest was sustained to a satisfactory degree.

"At the close of the session, through the courtesy of the Committee on Education, a dinner was given at the Manufacturers' Club to the students and instructors. Several of the students spoke most apprecia-

tively of the benefit which they had derived from the courses, and it was resolved to form a students' association to continue the work during the summer.

"We are arranging to hold the classes during this coming year with the same instructors and under substantially the same plan. It is, of course, recognized that to continue the work indefinitely under conditions so exacting to the members of the society is impracticable, but we hope to give the movement a good enough start to warrant its being carried on by some educational institution."

Mr. Lybrand reported that during the year there had been four regular business meetings and three special meetings, the latter being preceded by dinner, several guests being invited. A good start had been made to secure a reference library for public accountants. One C. P. A. examination had been held, when three candidates had qualified. The Pennsylvania Institute had taken a very lively interest in the work of the Federation and President Lybrand expressed the hope that Federation Bulletins would continue to be issued with frequency.

In conclusion Mr. Lybrand said that the affairs of the Pennsylvania Institute are in a healthy condition, financially and otherwise.

Mr. Max Teichmann, C. P. A., President of the Maryland Association of Certified Public Accountants, then read his report, which reviewed the work accomplished by the Maryland Association in trying to carry into effect the objects of the Federation.

The most important part of Mr. Teichmann's report dealt with a proposed amendment to the Maryland C. P. A. Law which the association proposed to promulgate next January when the State Legislature convenes, to the effect that:

"Any Certified Public Accountant in good standing, coming, and holding a C. P. A. certificate, from any State having a similar law and standard as the State of Maryland, may practice as such and use the abbreviation C. P. A. in this State, provided he has made application for and received a permit issued by the Governor upon the recommendation of the Board of Examiners and the payment of a fee of Ten Dollars."

Mr. Teichmann said: "Of course, this would only benefit those Certified Public Accountants who came from a State having a similar clause in or Amendment to their State Law, and for that

reason it would be advisable to adopt same as early as possible in all States."

John A. Cooper, C. P. A., of Illinois, attacked the proposed amendment vigorously, saying:

"It seems to be the disposition of the Maryland Association to place an embargo on accountants coming from other states, or rather to put obstructions in the way of their intercourse. Now the Illinois law provides that if a man comes into the State of Illinois with a certificate from his own state he has not to go through any red tape. He does not have to pay any fee to practice in our state and it seems to me that our Federation should exert its influence in the interests of free intercourse among Certified Public Accountants."

Considerable discussion ensued, in which the President, Farquhar J. MacRae, J. E. Sterrett, J. S. M. Goodloe, E. L. Suffern, J. Porter Joplin and H. W. Wilmot joined.

The consensus of opinion appeared to be that existing C. P. A. laws should, for the present, be allowed to stand as they are, but that the new States seeking C. P. A. laws should embody the final sentence of the Illinois law passed in 1903, which reads as follows:

"Provided that nothing herein contained shall operate to prevent a certified public accountant who is the lawful holder of a certificate issued in compliance with the laws of other States from practicing as such within this State and styling himself a Certified Public Accountant."

A resolution was subsequently passed that the Executive Board of the Federation be requested to frame a model C. P. A. Bill for the guidance of Societies in States that have not yet secured legal recognition. A further request was added to the effect that the Executive Board also prepare a model set of by-laws for the guidance of new societies seeking admission to the Federation.

H. W. Wilmot, A. C. A., C. P. A., of the firm of Messrs. Price, Waterhouse & Co. and ex-Vice President of the Illinois Association of Public Accountants, then read a report upon the year's workings, prepared by Ernest Reckitt, C. P. A., President of the Illinois As-

sociation. Mr. Reckitt's report reviewed the work done by the Illinois Association during the year ending with the last annual meeting, May 26th, which work included securing the passage of a C. P. A. Bill which is regarded by the members of the Illinois Association as being the best law yet passed; also in securing the organization of the Federation of accountant societies, accomplished October 28th, 1902. Speaking of the working of the Illinois C. P. A. law, the report ran as follows:

"The University of Illinois, the examining body under the Illinois C. P. A. law, has taken an active interest in its operation, has appointed examiners and laid down rules and regulations governing the examination of candidates * * *
* The examinations will be held on November 2 and 3 *
* *"

The report then told of the number of meetings held and the attendance thereat, also as to the large increase in membership, which now included 28 Fellows and 25 Associates.

"* * * a small start has already been made in the way of a library of Accountancy Literature. The changing of the name of the Association to 'Illinois Society of Certified Public Accountants,' and the necessary changes in the By-Laws will be the subject of discussion at the next quarterly meeting * * *"

"In the near future we anticipate taking up for consideration the educational work which the association should promote especially on the lines suggested by Dr. Kinley of the University of Illinois, involving the formation at the University of a department of Finance & Accounts and a course of lectures to the students to be given by the members of the Association."

The annual report of the Incorporated Michigan Association of Public Accountants was then read by the Secretary, to whom the report had been sent by J. H. Clegg, President.

The Michigan report stated that there had been seven meetings held and four interesting addresses read, also that there had been an increase of four members during the year. Mr. Clegg's report also told of the disappointment of the members through

the failure to pass the C. P. A. bill in the State Senate after it had been passed by a large majority in the House and of their purpose to try again at the next session of the Legislature.

The President then called for the annual report of the Incorporated Public Accountants of Massachusetts, whereupon Delegate Harvey S. Chase explained that no such report had been written in view of the doubtful position occupied by the Massachusetts Association. He made a verbal statement of the position of the Massachusetts Association.

J. S. M. Goodloe, C. P. A., President of the Ohio State Society of Public Accountants was then asked for his report but explained with much regret that it had gone astray together with his clean collars. Mr. Goodloe, however, made a verbal statement of the work of the society so far performed and of their very excellent prospects of securing the passage of a C. P. A. bill at the next session of the Ohio Legislature.

A recess was then taken from 2 to 4 P. M.

Upon re-assembling at 4 o'clock the convention went into a committee of the whole and discussed the by-laws section by section making certain amendments therein.

This done the committee rose and the convention reconvened and adopted the report of the committee of the whole on the amendments to the by-laws.

The convention then proceeded to the election of officers and the following officers were unanimously elected to serve for the ensuing year:

President, Farquhar J. MacRae, C. P. A., New York.
 Secretary, George Wilkinson, C. P. A., Illinois.
 Treasurer, Robert H. Montgomery, C. P. A., Pennsylvania.
 Auditor, Edward L. Suffern, C. P. A., New York.

The following delegates were unanimously elected to serve as members of the Executive Board for the ensuing year:

John R. Sparrow, New York.
A. L. Dickinson, Illinois.
Harvey S. Chase, Massachusetts.
J. E. Sterrett, Pennsylvania.
Jas. A. McKenna, New York.
John A. Cooper, Illinois.

This ended the business of the annual convention.

By unanimous consent the Secretary then read a paper that he had prepared in regard to the future policy of the Federation.

There being no other business before the meeting the annual convention of the Federation was adjourned sine die.

EXECUTIVE BOARD MEETING

Following the adjournment of the Convention the annual meeting of the Executive Board was held in Room No. 117 of The New Willard Hotel, Washington, D. C., when the following committees were unanimously elected:

EXECUTIVE COMMITTEE.

John R. Sparrow, New York.
Wm. M. Lybrand, Pennsylvania.
A. L. Dickinson, Illinois.
Harvey S. Chase, Massachusetts.
J. S. M. Goodloe, Ohio.

(The President of the Federation is ex-officio Chairman, and the Secretary and Treasurer of the Federation are ex-officio members of the Executive Committee, under the revised by-laws.)

LEGISLATIVE COMMITTEE.

Max Teichmann, Maryland (Chairman).
John A. Cooper, Illinois.
J. E. Sterrett, Pennsylvania.
Jas. A. McKenna, New York.
R. H. Montgomery, Pennsylvania.

The Secretary reported that there was a balance in bank of \$1,025, and that the dues for the ensuing year would amount to \$1,180, making a total of \$2,205 in all. After some inquiries and explanations of the prospective expenses of conducting the business of the Federation for the ensuing year, appropriations were made for clerical help for the Secretary, \$750, and for the expenses of Committees and general expenses of conducting the business of the Federation, \$1,300.

There being no further business before the Executive Board same was adjourned sine die.

FEDERATION OF SOCIETIES OF PUBLIC ACCOUNTANTS IN THE
UNITED STATES OF AMERICA.

CONSTITUTION AND BY-LAWS

AMENDED AND ADOPTED AT THE CONVENTION HELD AT THE NEW
WILLARD HOTEL, WASHINGTON, D, C., OCTOBER 20, 1903

CONSTITUTION.

NAME.

This organization shall be called the "FEDERATION OF SOCIETIES OF PUBLIC ACCOUNTANTS IN THE UNITED STATES OF AMERICA."

OBJECTS.

Its objects shall be (a), to bring into communication with one another the several associations and societies of public accountants, organized or to be organized under the laws of the several States of the United States of America; (b), to encourage the formation of State Associations of Public Accountants in States where they do not exist; (c), to encourage State Certified Public Accountant legislation on uniform lines; (d), to secure Federal recognition of the profession of the Public Accountant; (e), to facilitate and assist the training of young members of the profession, and to establish a uniform standard of efficiency in federated societies; (f), to disseminate throughout the United States a general knowledge of the objects of the Federation and of the utility of the Public Accountants in the industrial and financial development of the country; and (g), to further the interests of the profession of the Public Accountant generally.

AMENDMENT.

No amendment to this Constitution shall be valid and binding unless assented to in writing by two-thirds of the societies comprising the Federation, duly signed by the Executive officers, with the society seal attached.

BY-LAWS.

ARTICLE I. (*Members.*)

Section I. The Charter members of the Federation shall be the Societies and Associations of Public Accountants represented at the Convention held in Washington on October 28th, 1902, by duly accredited delegates, or such of them as may officially denote their purpose to join the Federation on or before the 31st of December, 1902.

Section II. Any association or society solely composed of Public Accountants, with not less than seven members, exclusive of Associate members, may join the Federation subject to the approval of the Executive Board expressed in a two-thirds vote of those present; provided that no two societies shall be admitted from the same State.

Section III. Any association or society of Public Accountants, other than the Charter Members, which may desire to join the Federation, shall by a majority affirmative vote of its members in general meeting assembled denote its wish to join the Federation and its willingness to be governed by the By-Laws of the Federation. Thereupon the Executive officers of such association shall transmit to the Secretary of the Federation a copy of such resolution, certified by the President and attested by the Secretary of such association, together with such Association's check in favor of the Treasurer for the amount of the current year's dues, which remittance shall be returned in the event of unfavorable action by the Executive Board.

ARTICLE II. (*Delegates.*)

Section I. The members of the Federation shall be represented at all meetings of the Federation by delegates, to be elected by their respective societies; provided that no person shall represent more than one society as a delegate.

Section II. The number of delegates shall be as follows: For less than twenty members, one delegate; twenty and less than fifty members, two delegates, and for every additional fifty or part of fifty members, one additional delegate.

Section III. All delegates shall be elected to serve two years, except that societies sending either two or three delegates to the 1904 convention shall elect one to serve only one year; societies

sending four delegates to the 1904 convention shall elect two to serve only one year.

Section IV. A Federated Society shall have power to withdraw its delegate or delegates and elect others to serve in their stead.

Section V. Delegates shall be considered as representing their respective societies until the Secretary of the Federation has received notice of the election of their successors.

Section VI. Each Federated Society shall elect an alternate, or alternates, for each delegate, whose duty it shall be to attend the meetings of the Federation whenever such delegate is unable to attend.

Section VII. Those Federated Societies whose members are divided into two classes known as "Fellows" and "Associates," or any other similar distinction, shall elect their delegates and their alternates solely from their senior grade of members.

Section VIII. The Secretary of each Federated Society shall file with the Secretary of the Federation the names and addresses of the officers and delegates of his society within ten days after their election.

ARTICLE III. (*Votes.*)

Section I. On all motions before meetings of the delegates those delegates who are present may cast one vote for each delegate allowed to their respective societies, provided that the delegates present and so voting represent half or more than half of their respective delegations, and are unanimous.

Section II. At the election of officers the delegates who are individually present shall cast one vote each by ballot.

Section III. In the event of a tie vote on any question before the Federation the presiding officer shall cast the deciding vote.

ARTICLE IV. (*Meetings.*)

Section I. The annual convention of the Federation shall be held on the third Tuesday in October, in the City of Washington, D. C.

Section II. The Executive Board shall have power to postpone the annual convention for a period not exceeding thirty days, due notice of such postponement being sent to all delegates and to the President of each Federated Society prior to the first day of October.

Section III. Special meetings of the delegates shall be held when in the opinion of a majority of the members of the whole Executive Board it shall become necessary to the welfare of the Federation. Such special meetings shall be held at such time and place as shall be determined by the Executive Board.

Section IV. The annual meeting of the Executive Board shall be held in the same place as the annual convention immediately after the adjournment of the convention.

Section V. Special meetings of the Executive Board shall be called by the President upon the written request of at least five members of the Executive Board, such meetings to be held at the time and place designated in the call.

ARTICLE V. (*Executive Board.*)

Section I. The Federation shall be governed by an Executive Board made up of the President of each society included in the Federation, and six delegates elected at the annual meeting, but no more than two such delegates may be selected from one society.

Section II. The President, Treasurer and Secretary of the Federation shall be ex-officio members of the Executive Board and of the Executive Committee, the President and Secretary shall respectively act as Chairman and Secretary of the Executive Board and of the Executive Committee.

Section III. The term for which delegates are elected to serve on the Executive Board shall be two years, except that of the delegates elected in 1903 half shall be elected for only one year.

Section IV. The Executive Board shall consider and promote such measures as shall, in their opinion, be for the interests of the Federation, shall frame rules for its own government and shall be responsible for the enforcement of these By-Laws, and the conduct of the affairs of the Federation.

Section V. The Executive Board shall be responsible for the expenditure of the funds of the Federation and only expenditures covered by appropriations voted by the Executive Board shall be made out of the funds of the Federation.

Section VI. To facilitate the business of the Federation the Executive Board may delegate such of its powers to the Executive Committee as may be deemed necessary or desirable, except, (a), the election of new members (b), the appropriation of funds of the Federation; (c), filling a vacancy caused by the death, dis-

ability or resignation of any Executive officer or member of the Board; (d), suspension of a Federated Society for the non-payment of dues; (e), filling a vacancy on the Executive Committee.

Section VII. Motions may be submitted by the Secretary to the members of the Executive Board by mail or otherwise as provided in rules approved by the Executive Board.

Section VIII. Vacancies occurring in the Executive Board shall be filled by the Executive Board from the delegates, except as hereinafter provided.

Section IX. In the event that any one of the Vice-Presidents shall cease to be the President of his society he shall cease to be a member of the Executive Board and his place thereon and on any committee of which he may be a member shall be taken by his successor in office.

ARTICLE VI. (*Officers.*)

Section I. The general officers of the Federation shall be a President, a Treasurer and a Secretary. Such general officers shall be elected by ballot by the delegates at the annual meeting; each must be a member in good standing of one of the Federated Societies.

Section II. The general officers shall be eligible for re-election for two consecutive terms, but thereafter shall not be eligible for re-election until after the lapse of three years.

Section III. The President of each Federated Society shall be ex-officio a Vice-President of the Federation.

Section IV. No member shall hold more than one general office at the same time, and no more than one general officer may be elected from the members of the same society.

Section V. Any of the general officers of the Federation may be removed for good and sufficient cause by a majority vote of the Executive Board, provided, however, that the written consent to such removal of not less than three-fourths of the members of the entire Executive Board shall have been secured.

Section VI. The general officers shall hold office for one year and shall continue in office until their successors are elected and have qualified. In case of the resignation, death or disability of any of the general officers, the Executive Board shall have power to fill the vacancy for the unexpired term of such office.

Section VII. The actual expenses of the Executive officers

in attending the annual convention shall be paid out of the funds of the Federation, unless they attend such convention in the capacity of a President or a delegate of a Federated Society.

ARTICLE VII. (*Auditor.*)

Section I. One of the delegates who is not a member of the Executive Board shall be elected at the annual meeting as Auditor; he shall serve for one year and shall report at the annual convention next following his election.

ARTICLE VIII. (*Duties of Officers.*)

Section I. It shall be the duty of the President to preside at all meetings of the Federation and of the Executive Board and Executive Committee and to approve for payment vouchers certified by the Secretary. The President shall be ex-officio a member of all committees.

Section II. In the absence of the President from any meeting, a Chairman shall be elected from among the Vice-Presidents present. If no Vice-President be present a Chairman may be selected from those present.

Section III. It shall be the duty of the Treasurer to have the custody of the funds of the Federation; to collect and receipt for all dues and subscriptions, and to make disbursement of the funds upon presentation of vouchers duly certified by the Secretary and approved for payment by the President, provided that sufficient appropriation therefor has been made by the Executive Board.

Section IV. The Treasurer shall keep suitable books of account for the Federation, which shall be closed annually on the first day of October and submitted to the Auditor at least ten days before the annual convention.

Section V. It shall be the duty of the Secretary to officiate as Secretary at all meetings of the delegates, of the Executive Board and of the Executive Committee, to conduct all correspondence; to certify all vouchers for disbursements of the funds of the Federation, and, generally, to perform all duties appertaining to the office. He may employ such clerical assistance as may be necessary, subject to the approval of the Executive Board.

ARTICLE IX. (*Committees.*)

Section I. There shall be two standing committees, composed

of five members each, entitled "Executive Committee" and "Legislative Committee" elected at the annual meeting of the Board, from among its members, provided that no society may have more than one representative on the Executive Committee, unless one be a general officer of the Federation.

Section II. All members of standing committees shall be elected to serve one year and until their successors are elected.

Section III. After the adjournment of the annual meeting of the Executive Board and until the Board reconvenes, either at the next annual meeting or at any special meeting, the conduct of the business and affairs of the Federation shall rest with the Executive Committee, which shall report fully to the Executive Board at each meeting thereof.

Section IV. The Legislative Committee shall have such powers as may be delegated by the Executive Board and shall be responsible to it, or to the Executive Committee when the Board is not sitting, for the conduct of such business.

Section V. Special committees shall be appointed from the members of the Executive Board by the President whenever it may be necessary, and such special committees shall report to the Executive Committee upon any business entrusted to them.

Section VI. The Executive Board shall frame rules for governing all committees.

ARTICLE X. (*Dues.*)

Section I. An annual subscription shall be paid by each of the Federated Societies, computed at the rate of Five Dollars (\$5.00) per annum for each member of such society, not including associate members or honorary members, as certified by the Secretary of such Society, as of the first day of October of each year.

Section II. Any society of public accountants upon being elected to membership in the Federation shall pay to the Treasurer the current year's subscription, which subscription shall expire on the first day of October next following.

ARTICLE XI. (*List of Members.*)

Section I. The Secretary of each Federated Society shall, on the first day of October, each year, or within ten days thereafter, mail to the Secretary of the Federation a certified list of the members of such society, and their addresses.

Section II. Members of more than one Federated Society shall elect which society they desire to be identified with and shall so advise the Secretary of their Society, who shall then advise the Secretary of the Federation.

ARTICLE XII. (*Communications.*)

Section I. Any communication from a member of a Federated Society other than a member of the Executive Board, or a Delegate, or the Secretary of the Society, must be made through one of the delegates of the society to which such member belongs.

ARTICLE XIII. (*Failure to Pay Dues.*)

Section I. Any Federated Society which shall fail to pay its annual dues may, in the discretion of the Executive Board, be deprived of its representation at the meetings of the Federation, and the vote of the member or members representing such society on the Executive Board.

ARTICLE XIV. (*Bonds.*)

Section I. All persons entrusted with the custody of the funds of this Federation shall be placed under such Bonds as the Executive Board may determine.

ARTICLE XV. (*Quorum.*)

Section I. Nine delegates shall constitute a quorum at any meeting of the Federation.

Section II. Seven members shall constitute a quorum at any meeting of the Executive Board.

ARTICLE XVI. (*Procedure.*)

Section I. The Rules of Parliamentary Procedure as laid down in "Robert's Rules of Order" shall govern all meetings of the Federation and of the Executive Board.

ARTICLE XVII. (*Amendments.*)

Section I. These By-Laws may be amended by an affirmative two-thirds vote of the delegates attending the annual meeting of the Federation, or by a like vote at a special meeting of the delegates called for the purpose, provided that due notice of the proposed changes shall be sent to each Society not less than sixty days prior to the date of such meeting, which notice shall be sent by the Secretary of the Federation at the request of any Federated Society.

Federation of Societies of Public Accountants

IN THE UNITED STATES OF AMERICA

FARQUHAR J. MACRAE, C.P.A., *President*,
GEORGE WILKINSON, C.P.A., *Secretary*,
ROBT. H. MONTGOMERY, C.P.A., *Treasurer*,
ED. L. SUFFERN, C.P.A., *Auditor*.

Executive Committee

JOHN R. SPARROW, C.P.A., New York,
WM. M. LYBRAND, C.P.A., Pennsylvania,
A. L. DICKINSON, M.A., F.C.A., Illinois,
HARVEY S. CHASE, Massachusetts,
J. S. M. GOODLOE, C.P.A., Ohio.

Legislative Committee

MAX TEICHMANN, C.P.A., Maryland (*Chairman*),
JOHN A. COOPER, C.P.A., Illinois,
J. E. STERRETT, C.P.A., Pennsylvania,
JAS. A. MCKENNA, C.P.A., New York,
R. H. MONTGOMERY, C.P.A., Pennsylvania.