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I submit herewith suggested amendments to the Constitution and By-Laws of the Association, upon which action will be taken at the annual meeting to be held in September next

A. P. Richardson

American Association of Public Accountants

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THE AMERICAN ASSOCIATION OF PUBLIC ACCOUNTANTS

INCORPORATED UNDER THE LAWS OF THE STATE OF NEW YORK, 20TH OF AUGUST, 1887

Office of the Secretary, 55 Liberty Street, New York.

August 4, 1913.

To the Members of the American Association of Public Accountants:

Gentlemen:

In accordance with the provisions of Article II, Section 1 of the By-Laws of the American Association of Public Accountants I hereby give notice that the regular annual meeting of the association will be held at Boston, Mass., on Tuesday, Wednesday, and Thursday, September 16, 17 and 18, 1913.

As provided in Article VII of the Constitution of this association I submit herewith suggested amendments to the Constitution and By-Laws of the Association, upon which action will be taken at the annual meeting to be held in September next.

Yours very truly,

A. P. RICHARDSON,
Secretary.

COMMITTEE ON CONSTITUTION AND BY-LAWS.

July 16, 1913.

Mr. Robert H. Montgomery, President,
The American Association of Public Accountants,
55 Liberty Street, New York City.

Dear Sir:

The Committee on By-Laws for the year 1912-13 has the honor to submit herewith its recommendations for changes in the Constitution and By-Laws of the Association, all in accordance with the instructions conveyed at the annual meeting in Chicago, September last, and the meeting of the Trustees in New York City, April last, in consonance with Article VII of the Constitution.

Yours very truly,

JOHN A. COOPER, Chairman,
CARL H. NAU.

CONSTITUTION.

Article II, Section 2, Paragraph (b).

Strike out entirely.

Article II, Section 5.

Second line, commencing with the word "and," to the fourth line ending with the word "effect,"—strike out.

Also same section, tenth line, commencing with the word "provided," to the eleventh line, ending with the word "effect"—strike out. Make semi-colon after the word "article."

Article II, Section 8.

Strike out the first two lines down to the word "Trustees."

Article II, Sections 9, 10 and 11.

Strike out entirely.

(Change consecutive numbers accordingly.)

BY-LAWS.

Article I, Section 10.

Last line, strike out the word "all," and insert after the word "Trustees" the words "in meeting assembled."

Article V, Section 3.

Following the words "August 31" in the second line, add "when the approval thereof shall have been received in writing from 90 per cent. of the total fellow-membership of this Association."

On the fourth line of said section, change the figures "\$5.00" to "\$7.50."

On the fifth line of said section, change the figures "\$5.00" to "\$10.00."

On the sixth line of said section, change the figures "\$2.50" to "\$5.00," and add "and it shall be optional for each State Society to increase its dues on each class of membership by \$2.00 for each member, in consideration for which the Journal of Accountancy shall be distributed, without additional expense, to each member of each Society so acting."

Article VI.

Change the caption to read,

"Precepts of Professional Conduct."

Before the enumerated rules as shown, insert in italicized type, the following:

"(a) A profession is an employment requiring a learned education, a vocation in which a professed knowledge of some department of science or learning is used by its practical application to the affairs of others in advising, guiding or teaching them or in serving their interests or welfare in the practice of an art founded on it. Professed attainments and special knowledge as distinguished from mere skill; practical dealing with affairs as distinguished from mere study or investigation; the application of such knowledge to use for others as a vocation as distinguished from its pursuit for its own purposes."

"(b) Professional conduct necessarily implies honorable conduct and unprofessional—dishonorable."

"(c) Public policy requires that certain occupations must be subject to legislative control due to the special scholarly and moral qualifications required of a practitioner and the injurious consequences likely to result from a lack thereof."

"(d) The study of the sciences of higher accounting, finance and industrial economics and the practical application of such acquired knowledge as a life career as such services may be demanded must be regarded as the practice of a profession."

"(e) Every practitioner should aid in guarding the profession against the admission to the profession of candidates unfitted or unqualified because deficient in either education or moral stamina."

"(f) A practitioner cannot offer his services for sale or vaunt his own abilities without violating the canons of good taste and professional ethics. No one invested with the dignity and prestige implied by such intimate relations with clients should be permitted to degrade it by mere cupidity. A wholesome regard for such dignity forbids an accountant advertising his talents or skill as a merchant does his wares."

"(g) It is undignified and unethical to advertise or practice under an actual or fictitious corporate name."

"(h) An accountant should not speak slightly or disparagingly of his profession, or pander to unjust prejudice on the part of the laity; and should scrupulously refrain from inciting or fostering such prejudice as a reflection upon a brother accountant."

Article VI, Rule 1.

Add "nor shall he practice under an impersonal designation or corporate title."

Article VI, Rule 2.

Add "nor shall he accept directly or indirectly from the laity any such commission or brokerage for professional or commercial business turned over to others as an incident of his service to clients; nor perform accountancy work payment for which is contingent upon the result of litigated or arbitrated issues."

Article VII, Section 1.

Fifth line, strike out "(c) fails to pay its dues," and following the word "or" make "(d)" "(e)."

Article VII, Section 2.

Tenth line, strike out from the words "or if" to the end of the section.

Number these two sections respectively 2 and 3, and insert a new section No. 1, as follows:

"A state or district society, or any member-at-large failing to pay the annual dues, or any subscription, assessment, or other sum owing by them to the Association, within five months after such debt has become due shall automatically cease to be a member of this Association."

Substitute Amendment No. 1.

COMMITTEE ON BY-LAWS.

Article V, Section 3.

Fifth line, after the word "fellow" add "in professional practice either on his own behalf, as a member of a firm, or as a senior or managing accountant in service, \$10.00."

Following this line, insert "By each society-fellow not in practice, \$7.50."

Substitute Amendment No. 2.

Article V, Section 3.

To remain as at present, and insert preceding Section 4, "In addition to the foregoing each member being a certified public accountant in professional practice, either as an individual, member of a firm, or a senior accountant in service, shall pay an annual certificate fee of \$5.00, which is due and payable through the respective state societies, and for which the Secretary shall issue a duly inscribed receipt."